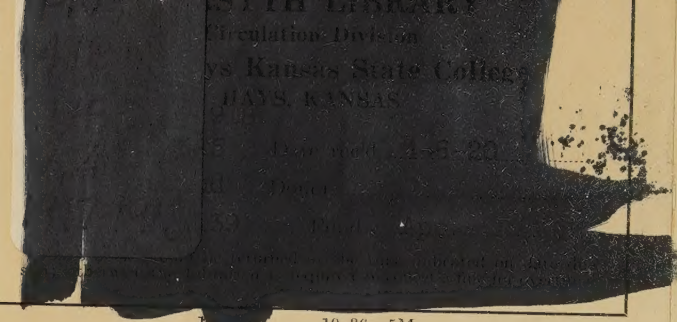
UNIVERSITY DEBATERS' ANNUAL

1917-1918



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UNIVERSITY DEBATERS' ANNUAL

Constructive and Rebuttal Speeches Delivered in Debates of American Colleges and Universities During the College Year, 1917-1918

Edited by
EDITH M. PHELPS

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PREFACE

In this as in previous Annuals of this series, an effort has been made to secure debates that are not only representative of the intercollegiate debating activities of the year, but that discuss questions sure to be of interest to debaters for the coming year at least. With one exception each subject chosen for this Annual has been limited to a single debate. As the same subject is often chosen by a number of colleges, this limits the number of colleges to be represented and the choice has been further restricted this year by present conditions which have operated to prevent the securing of some desirable material. As it stands, however, the volume will be a helpful source of specimen material for the student of debating, and will also offer useful reference material to debaters and to others interested in the subjects presented.

Six chapters in all are included in this volume, one a complete stenographic report of the debate, and one limited to the constructive speeches only of both sides. The others contain the constructive and rebuttal speeches of the affirmative and negative teams of one college. Each debate, or set of speeches, is accompanied by affirmative and negative briefs and a selected bibliography. Grateful acknowledgement is made to all who have assisted in securing the needed material from the debating teams represented.

Edith M. Phelps.

October 18, 1918.

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CHAPTER I

COMPULSORY ARBITRATION OF INDUSTRIAL DISPUTES

UNIVERSITY OF CHICAGO

RESOLVED, *That compulsory arbitration should be adopted for all labor controversies involving railroads and other public service companies.*

These are the speeches delivered by the teams representing the University of Chicago in the annual intercollegiate debates of the Central Debating League, composed of the Universities of Chicago, Michigan and Northwestern. The debates were held on January 18, 1918, and the Chicago Affirmative team was defeated by Northwestern at Evanston, three to zero. The Chicago Negative won from Michigan at Chicago, three to zero. This report of the debates and the bibliography have been compiled from manuscript furnished by the debaters, thru Willard E. Atkins, the Debate Coach. The briefs have been supplied by the editor.

BRIEF

COMPULSORY ARBITRATION OF INDUSTRIAL DISPUTES

Affirmative

Introduction:

A. A public utility must provide continuous service if it is to serve the public adequately. At present strikes provide an all-too-frequent interruption to the continuity of service.

B. It is suggested that the legislation now existing for regulating public utilities with regard to rates, character of service, hours, etc., be extended to cover continuous service also by means of compulsory arbitration.

C. The principal objection comes from a few strong labor unions who occupy a strategic position in industry and wish to use that position to obtain benefits at the expenses of the great mass of the employed.

I. Compulsory arbitration provides a real basis for industrial justice.

A. It will provide the workers with a more civilized weapon than the strike—the right to present their case before an impartial tribunal.

B. It substitutes right for might and points to the goal of industrial peace.

II. Compulsory arbitration is fairer than any other plan.

A. It gives all parties affected by the dispute—capital, labor, and the public—a voice in settling it.

B. It is the only plan that makes possible the discovery of the real facts of the case.

III. Compulsory Arbitration has all the advantages of voluntary arbitration plus the element of authoritativeness.

A. Often one side or the other is strong enough to reject a voluntary award and a strike is inevitable.

IV. There are other advantages in a compulsory arbitration law.

A. Compulsory arbitration need only be tried as a last resort, where voluntary arbitration has failed.

B. It can be made to deal with causes—not with effects.

1. A permanent board can be employed in investigating conditions and in recommending legislation that will eliminate the causes of industrial warfare.

C. It can prevent the domination of any industry by a certain group of organized labor, or its exploitation by certain powerful capitalists.

Negative

I. Compulsory arbitration has not been successful where it has been tried.

A. It is opposed by both labor and capital in Australia and New Zealand.

B. It has not been successful in England.

II. Compulsory arbitration would be still less successful in the United States.

A. The individual element has always been strongly emphasized in the United States while Australia and New Zealand are highly socialized.

B. Organized labor is strongly opposed to it.

1. To force an award upon labor would not be social justice.

C. The courts of arbitration would not have final jurisdiction as in New Zealand.

1. In the United States all cases are subject to judicial appeal.
2. This would result in endless expense and delay.
3. The unfavorable attitude of labor to the courts would complicate matters.

III. Compulsory arbitration is not practicable.

A. It cannot be enforced. If labor refuses to accept the award nothing can be done.

B. If accepted and unwelcome, dissatisfaction and lessened output with inferior quality of work would result.

IV. Compulsory arbitration is undesirable because

A. It would destroy all that has been accomplished by unions and trade agreements in the past.

B. It would furnish no basis for industrial justice.

1. Strong unions could not be made to accept awards.
2. Awards must necessarily be based upon expediency.
3. One side or the other could dominate the arbitration board.
4. Compulsory arbitration depends for effectiveness not upon moral support but upon armed force.

V. A plan of voluntary arbitration is preferable.

A. Both sides can get together without the intervention of an outside force.

B. Permanent investigation boards, without judicial power, can be established to cooperate with the conciliation board, study conditions and report findings.

C. The effectiveness of this plan depends upon educated public opinion—not armed force—and upon trade agreements made and respected by both sides.

COMPULSORY ARBITRATION OF INDUSTRIAL DISPUTES

UNIVERSITY OF CHICAGO

AFFIRMATIVE SPEECHES IN DEBATE AGAINST NORTHWESTERN UNIVERSITY

FIRST AFFIRMATIVE

George D. Mills, Chicago

It is unnecessary to tell this audience the destruction attending a public utility strike. The Pullman strike, which involved 100,000 employees and cost the American public $80,000,000; the Harriman strike of 1911 which tied up the traffic of a large part of the South for 13 months; the recent St. Paul-Minneapolis street car strike which forced the citizens of the twin cities to walk for a week; the freight handler's strike of New York City, which lasted but three days but which congested traffic to such an extent that the government was forced to condemn 278,000 barrels of perishable food-stuffs; the three months street car strike at Columbus, Ohio, in which violence reached such a height that the militia was forced to fire upon the strikers;—these incidents are all too actual and too vivid to make necessary a recital in detail.

The sad feature of the matter is not that these strikes have occurred, but that present legislation cannot prevent recurrence of these disasters. Any day—perhaps to-morrow or the next day—a dispute over wages or hours may mean darkened streets, idle transportation carriers, and the paralyzing of the entire nation's activities as necessary in times of peace as in times of war. In fact our position this evening is well summarized by that well known economist, Frank Taussig, who in his Principles of Economics, vol. 2, says, "It is intolerable that the means

of every-day communication should be brought to a standstill, or the supply of artificial light should be suddenly shut off because employers and employees cannot come to terms."

We believe it is nothing more than common sense to attempt to settle these things by amicable methods, but when all these have failed and the country is threatened with the anarchy and chaos of industrial conflict, we believe that it is altogether reasonable to extend one hand to the laboring man, the other to the capitalist, and say, "You sit down at the table with the public and settle the matter by compulsory arbitration."

You will observe that the discussion this evening is confined to public utilities, and an examination of the peculiar nature of the public utility will clearly show you just why such a limitation has been made. Public utilities exist in varying forms but these fundamentals distinguish them from all other industries: First, a public utility is by its very nature a monopoly, because since one street car or telephone line can adequately supply the community, the establishment of a rival line means unnecessary duplication and waste. The important consequence flowing out of this is that the public is compelled to rely on one company for its service, and if a strike occurs the public must go without the water, the gas, or the transportation facilities. Inasmuch as these are vital to every day comfort and life of the millions, the public, you and I, have such an interest in seeing that these industries are operated continuously that they are called public utilities.

The law has already recognized the exceptional character of the public utility by placing certain restrictions on the owners and managers of these industries. The man who converts his pleasure car into a taxi cab finds that many of the private property rights he formerly held are nullified when his machine becomes a common carrier. The rates he charges are fixed, and he must give service to all who apply be they friend or enemy. The owner of a street car line is even more restricted, for the public realizing its extreme dependence on his industry steps in and helps him conduct the business which so vitally affects their activity. Thus President Speed of the Evanston street car line, finds that his schedules, methods of heating cars, and the hundreds of other things necessary in the running of the car industry are prescribed by a public utilities commission. True, this is

interference with the so-called rights of private property; but this interference is founded on sound public policy—the rights of the majority to have reasonable rates and efficient service.

But the fact remains—strange as it may seem—that altho, in our search for reasonable rates and efficient service we have stipulated thru the Interstate Commerce Commission and the various public utilities commissions, the rates of the service, the number of cars to be run, the type of safety apparatus to be used, and even the hours of employment, we cannot prevent a strike and a breakdown of that which is most important to the public at large—continuous service. But one hand has been put to the task, while the other has remained tied behind the back in answer to the cry "Don't interfere with the sacred right to strike." Compulsory arbitration simply proposes this: that we shall untie the other hand and put two hands to the task; that we shall regulate public utilities not only from the standpoint of proper charges but also from the standpoint of continuous service—the very thing a public utility must furnish.

There was a time when rates and quality of service were left to voluntary determination, and at that time the people were about as helpless in the matter of rates as they are now in the matter of industrial conflict. The owners and managers of public utilities were allowed to charge what rates they pleased and furnish what service they desired to give. So unsatisfactory was the result that the American people arose and demanded what was then an unheard of policy, namely, regulation by the government of public utilities. Thus in 1887 an Interstate Commission was created for the purpose of rate and service regulation. It is a matter of common knowledge that in the beginning this measure was not entirely successful. It is unnecessary to review all the reasons for this lack of immediate success; but two of these reasons do concern us. One was that the board acted only in advisory capacity. The second was that it was fought by capital at every turn. The first obstacle was removed in 1906 by the Hepburn bill, which gave the board the mandatory powers it so sadly needed. The second, the opposition of capital, changed to tolerance and then to co-operation. And to-day, when a controversy concerning rates arises, what happens? Instead of fighting the action of the board, the operators ask for action by the board.

At this point it may be well to advise the speakers of Northwestern that this evening's discussion is confined and narrowed down to public utilities, and that in advocating that two hands be put to the task we but continue a logical evolution of a regulation policy, which seeks to make the public utility actually serve the public.

In the discussion of a progressive measure, it is not uncommon to meet with some opposition. In this case of compulsory arbitration the strongest objectors are the American Federation of Labor, and the four railroad brotherhoods. You will note, however, that their objection is not based on a fair and prejudiced consideration of the merits of compulsory arbitration but rather on the grounds that it interferes with their might, a might which they possess because they hold a strategic position in a vital public industry. This objection on the part of certain labor officials must not be overlooked, but to appreciate its true weight we must consider just what proportion of the labor element this group represents. Professor Lee Wolman of the University of Michigan points out in the Annals of the American Academy, January 1917, that less than seventeen per cent of the workers on transportation facilities are organized; while but fourteen per cent of the workers on electric power utilities are united. The telephone and telegraph employees, according to the Industrial Commission's latest report, are practically unorganized, while it is a matter of common knowledge that the number of unions among the water and gas workers is negligible. Thus we see that the protest of organized labor on public utilities is not the objection of the entire labor force but merely the clamor of a small 15 per cent. To this small minority, the nation must say, "We want to see that justice is done in your case, and we want to extend the benefits of compulsory arbitration to you, but somehow or other we cannot see why you who are now the most highly paid workers should permanently bar the path along which the 85 per cent must struggle toward the goal of living wages for a full day's work."

In all labor disputes, either capital or labor is sure to win. The one which is the strongest emerges the victor. But while this costly warfare is continuing, the great majority of the public is sure to lose, for no matter who wins they must suffer while the strike continues.

Therefore, because the interests of the people are vitally connected with the public utilities, the people should have a right of preventing a stoppage of these industries. Their interest in a labor dispute is as great as those of capital and labor, and it is only fair that they should have a voice in the settlement of that dispute. Remember that eventually labor and capital will get around a table to settle their disputes; therefore why not let compulsory arbitration put labor and capital around the table before a strike with its huge expense, bloodshed, and violence takes place?

(It may be, and we are not arguing the matter, that ten, fifteen, or twenty years ago it was necessary for public utility employees to resort to the strike weapon in order to arouse the public as to the justice of their demands. In such a country as Austria, for instance, it is still necessary for employees of public utilities to strike before the government will turn an attentive ear towards the cause they represent. But in the United States, at the present time, in the year 1918, it is not necessary for workers to leave their jobs, tie up traffic, and resort to the bomb and bayonet to secure industrial justice.)

Because of our great interest in the public, it may be thought that we intend to forget the cause of the worker in our effort to obtain continuous service, but such is by no means the case. Compulsory arbitration does not mean penalizing the workers just because they happen to work on public utilities, for, though compulsory arbitration will eliminate the strike weapon, it will give the workers a far more civilized weapon—the right to present their grievances before a tribunal consisting of representatives of labor, capital, and the public. Now we admit there is no magic in compulsory arbitration. By simply passing a law, all labor troubles will not be wholly eliminated for all time to come. But, we insist on this principle and in fact, ladies and gentlemen, it is the foundation of our case that by the establishment of representative boards you have a basis by which to supplant might by right and ultimately work toward the goal of industrial justice, not for any one party alone, but for capital, the public, and the highly organized workers, and even for the great body of laborers—the helpless unorganized.

And now in conclusion, let me place before you the four cornerstones upon which our case rests: First, that public

utilities, because of public dependence, must give continuous service—and we believe our Northwestern friends heartily subscribe to this fundamental principle. Second, that compulsory arbitration is merely an extension of a past regulation policy. Third, that the objectors to compulsory arbitration are merely a small minority who occupy a strategic position in vital public industry and want to use that position to obtain higher and higher wages at the expense of the great mass of the laboring group. Fourth—and this is the keynote of the whole—compulsory arbitration representing all, furnishes a basis for industrial justice, and it is only thru industrial justice that industrial peace and continuous service can be secured.

SECOND AFFIRMATIVE

Edgar Bernhard, Chicago

The first speaker of the Affirmative has made clear the peculiarly vital nature of public utilities, the disastrous results of a strike on those lines of industry, and the resultant necessity of guaranteeing continuity of service.

Now, let us examine compulsory arbitration on public utilities and let us see just what elements it includes that warrant my presenting it as the Affirmative's contention that it is the fairest plan. First, it gives all the parties affected by the dispute a voice in settling it; and, second, after the parties have come together and failed to reach a settlement, it is the only plan that furnishes a basis favorable to the discovery of the facts in the case.

Now as to the first of these elements requisite to any fair plan of arbitration,—giving all the parties affected by the dispute a voice in settling it—suppose there is a strike on the railroads. The men want fifty cents more in wages; the opposites refuse it. It is obvious that both employers and employees are vitally concerned. But that is not all. You suffer from lack of fuel. You go without light. Your plants are shut down. In one day you are without milk. In a week, you are without food. There is a third party who is interested no less vitally than either employer or employee, and that third party is you—the Public.

As my colleague has already shown, the free exercise of competition was checked, by the creation of an inter-state commerce commission, when so-called private right interfered with what was manifestly public interest. That commission does nothing more than give you an authoritive voice by which you can be assured of service at a fair rate; and in the same way tonight the Affirmative is asking that you be given an authoritive voice by which you can be assured of service.

In other words, let that first great requisite of any fair plan of arbitration be observed: a voice for all parties affected.

Now as to the second requisite—a basis favorable to the discovery of the facts in the case—note that the sort of compulsory arbitration under discussion provides for a permanent board. When a controversy arises, it is not proposed that we scurry around and pick up a man here and a man there who we hope will be of service. When a controversy arises, it goes before a stable board made up—for the most part—of experts permanently occupied with the settlement of just such controversies. Compulsory arbitration thus furnishes an authoritative hearing not only before experts but before experts who have been constantly busying themselves with the collection of relevant data on this subject with which they are engaged not just for this one controversy but permanently.

Let me remind you too, that compulsory arbitration furnishes the same opportunities for the shaking of hands and the amicable getting around the table that voluntary arbitration furnishes, plus the element of authoritativeness. Voluntary arbitration furnishes a hearing; compulsory arbitration furnishes an authoritative hearing.

Now the situation today under voluntary arbitration does furnish a means, however imperfect, for the discovery of the facts in the case but even if it is utilized, if a strike then occurs, all the facts are thrown aside and force is resorted to. But that means is not even utilized in many cases. Often, we find strong capital or strong labor rejecting arbitration. For instance in 1902, we find the coal miners asking to arbitrate and six weeks ago we find them refusing to arbitrate. We find the New York Railway President, a few years ago, calling his employees his servants, and announcing to them: "Arbitration between me and my servants is impossible." And

in 1916, we find the steam railway presidents eagerly offering to arbitrate. Now if it is true that when a union or a corporation is weak it welcomes arbitration and when it is strong it rejects arbitration, then what sort of a situation have we? Is it one in which whoever is dominant can refuse arbitration and win out by reason of that very refusal.

Indeed the speakers of the opposition can well point out that the brotherhoods, for example, are not in favor of compulsory arbitration. But it is hardly remarkable or surprising that an engineer getting one hundred and sixty-two and a half a month—more than any of us pays for his tuition for a full year—should not favor a different system of arbitration. But let the speakers go out and talk to the section-hand, to the telephone girl, to the messenger boy, and then the speakers will see just how satisfactory a basis for the discovery and application of the facts in the case exists in collective bargaining as it crowds the weak today.

And notice the effect of the high wages of those who are strong enough to get them. There is always one of two results: either those workers who are weak (tho far in the majority) are extorted in order that the few who are strong may prosper, or the added cost is passed along to the public. Now it is true that passing-along-to-the-public may occasionally be the result of a wage increase even after the compulsory arbitration board is in power. But then we often pay knowing that we are doing so because the strong—not the worthy—decided that they could use more wages.

In all, note the great difference between the two plans before us this evening:

After voluntary attempts at arbitration have failed the speakers of the Negative propose to say to two parties most immediately concerned: "You say you are through talking? Very well; then we suggest fighting it out." What does it matter to the speakers of the Negative what happens to our most vitally necessary industries? "Go outside and pitch each into each other and at least make a good scrap out of it." And, Ladies and Gentlemen, they are willing to call the result—Justice.

But under compulsory arbitration we propose to say to those two parties: "Somehow we can't quite bring ourselves to believe that brickbats, bombs, and bloodshed are conducive to the

discovery of the facts of the case. And, somehow, instead of bringing you together on opposite sides of a gun for an exchange of bullets, we prefer bringing you together for an exchange of ideas." The facts are difficult to discover—even more difficult than in the case of the rate-fixing perhaps. Therefore how much more necessary it is to get the most reasonable basis possible on which to base justice—justice which can result only from an exchange of ideas and never from an exchange of blows.

Yet, it is upon that exchange of blows that the speaker of the Negative would have you depend. Suppose Messrs. Morgan, Rockefeller, and a few of their aides should meet at the Blackstone Hotel and decree: "Not a train shall leave Chicago until you pay us the rates we ask." What would the speakers of the Negative propose doing in a case of that kind? Why, they would say, "Let us get together and come to a settlement." And we of the Affirmative would say; if that will bring about the desired result, then we too favor that method. But suppose the group were strong enough to go through with that threat and refuse to come to an agreement? The speakers of the Negative would say, "Go ahead and charge what you've made up your minds to charge. It's right that you should because you are strong enough to refuse to talk it over with us!"

And suppose, Ladies and Gentlemen, that the heads of the four brotherhoods should meet at the La Salle, and decree: "Not a train shall leave Chicago till you pay us the wages we demand." What would the speakers of Northwestern propose doing in that case? Why, they would say, "Let us get together and come to a settlement." And we of the Affirmative would agree. But suppose that group were strong enough to go through with that threat and refuse to come to an agreement. Then the speakers would say, "Go ahead. We'll pay you what you've decided to make us pay you, because you're strong enough to refuse to talk it over with us!"

You will note, Ladies and Gentlemen, that the speakers of the Negative would have you depend not upon fact but upon force.

In all, Ladies and Gentlemen, we are all seeking for that plan of arbitration which is fairest. Compulsory arbitration is

the fairest plan, because it gives all parties affected by the dispute a voice in settling it, and, after the parties have come together and failed to reach an agreement, it is the only plan that furnishes a basis favorable to the discovery of the facts in the case.

Now let the speakers of the Northwestern team tell us how, under any other plan, they propose to embody those two fundamental requisites of any fair plan: a voice for all, and a basis that depends not upon pugilism but upon reason.

THIRD AFFIRMATIVE

Ralph D. Goldberg, Chicago

Before closing the constructive argument for the Affirmative, it would be well to summarize the cases as they have been presented thus far.

Our first speaker has shown you the fundamental issue upon which this entire debate rests: namely, that to safeguard public rights, continuous service must be guaranteed on the public utilities of the nation.

Our second speaker has further shown you that although our ultimate aim is continuous service, we refuse to believe that we can obtain that continuous service at a sacrifice of justice. He has shown you that compulsory arbitration will bring industrial justice because it will furnish all three parties concerned—labor, capital, and the public—a basis of discovering the facts in the case and of settling labor disputes on a basis of those facts rather than upon a basis of force.

Now what have the speakers of the Negative had to say in reply? First, they admit our contention that continuous service is desirable above all, but claim that compulsory arbitration will not give that continuous service. Note that admission, Honorable Judges, for we are going to hold them to it throughout the debate. And now that they have admitted that continuous service is desirable, all that we have to do is to present a plan which is better than any other plan for bringing that continuous service, and we have by their own admittance established our case.

Compulsory arbitration is going to be tried only as a last resort. If there is any kind of voluntary arbitration, any particular brand

of conciliation which is successful in settling labor disputes, we say with Professor Adams of Yale, bring it in, but when it fails, we demand the right to see that reason and not force settles all labor disputes.

Compulsory arbitration is not perfect. I daresay, the opposition may quote examples of violations of the law in New Zealand. But we have murder laws in Illinois and still I think that we will not have difficulty in pointing to violations of those laws.

The purpose of compulsory arbitration is to bring justice and through that justice reduce strikes to a minimum.

Their second speaker has spent precious time giving us a lecture on sabotage. It was a very good lecture and it was a very strong argument against all means of settling disputes except just ones. If you don't give labor a square deal, he will resort to sabotage as he has in some parts of the United States, in France, in Austria; but if you give to him the honesty and justice of a United States court, all cause for sabotage is removed. No better argument for compulsory arbitration could be pointed out than the one which the speaker on the Negative has very kindly saved us the trouble of presenting. Under a system of honest and efficient compulsory arbitration, sabotage as such cannot exist. It is true a just decision may be refused by a few laboring men who have false ideas about their strength, but that is not sabotage—that is rank refusal to obey an honest statute and should be punished as such.

Our system of compulsory arbitration will deal with causes—not with effects. Professor Groat in his book, "History of Organized Labor in America," tells us that practically all strikes are due to disagreement in wages, conditions of employment, or recognition of the union. In Canada, they wait until these causes have resulted in industrial warfare and then they proceed to stop the outbreak of the strife by organizing investigation boards. Our boards shall be permanent. In every state there is an Oscar Strauss to act upon these boards whose opinion is surely more trustworthy than the result of conflict. The duties of these boards shall be to investigate the conditions of capital and labor, to make recommendations to the various legislatures with regard to acts which will eliminate the cause of industrial warfare, and then if disputes do arise, they will be in possession of the facts, so that they can reach a just decision, and effect a speedy settlement.

If we were advocating some harsh measure of injustice this evening the problem of enforcement, we admit, would be too much for us. But since all we ask is justice, our problem of enforcement is limited to the few who will not accept justice. If there be any workingmen who will not accept a fair and impartial award, the United States can deal with them as follows. To be successful, a strike must have (1) leadership, and (2) public sympathy. We will remove the leaders from the scene of action, as the I. W. W. leaders were removed at the beginning of the war, and by the very nature of a strike on public utilities against the decision of an impartial board, public sympathy would be denied the strikers. With these elements at work no strike could be of long duration. There are, however, countless ways of enforcing compulsory arbitration to fit each dispute, in a particular way. If the speakers of the opposition desire more means of enforcing it, we will give them, but remember this—that the United States government is strong enough, and powerful enough to see justice enforced at whatever the cost.

But let us examine the nature of industrial disputes, and see just what the problem is.

In the last analysis labor disputes may be classified into two types: either capital and labor are equally matched, or one or the other dominates the situation.

True collective bargaining between the worker and his boss means equality in the bargaining power of the two parties. With such bargaining, when it results in peaceful settlement, compulsory arbitration is not concerned. Let us now proceed then to the remaining types of labor disputes: the possibility of dominance by certain groups of organized labor, and exploitation by certain powerful capitalists.

Domination by certain groups of organized labor as a type of industrial dispute cannot be justified, but such domination cannot be prevented so long as we permit a comparatively few men who occupy strategic positions to exercise the power of the strike whenever it suits their purpose.

Without any appeal to your sentiments, Ladies and Gentlemen, let us look the hard facts straight in the face.

One year ago, four men, Stone, Lee, Garrettson, and Shepherd, the chiefs of the railroad brotherhoods, stood over

the Congress of the United States with a stop-watch in one hand and a strike order in the other, and successfully threatened to bring bloodshed and disaster upon the nation if they were not given what they wanted. Their demands may or may not have been just but the demand for this legislation at the price of peace was a humiliating spectacle.

In the 1916 report of the Committee of Industrial Relations, Commissioner Weinstock asked of Mr. Perham, Chief of the Order of Railroad Telegraphers, "Do you think that one-twentieth of one per cent of the people should have within their power, the possibility of paralyzing the trade and industry of the whole nation?"

The reply was, "Yes."

That reply, Ladies and Gentlemen, is but the concrete expression of a threat which can be carried through unless we have the proper channels for regulations of labor disputes. Unless we adopt compulsory arbitration, there is not any way by which we can prevent Chief Stone from actually fulfilling the threat he uttered in 1910: "If you don't grant my demands, not a wheel will move east of Chicago, and New York will starve to death."

Yesterday the four brotherhoods asked for ten hours pay in return for eight hours work. Today they are asking for a 40% increase which may be justified on account of increased war prices. But let no man be deceived. More and more will be demanded and sooner or later we have got to meet the problem foursquare. Honorable Judges, the hour has arrived when we must begin to think seriously how to stop these powerful groups of men from increasing and increasing their demands until it results in the destruction of public rights. We must tell such groups of laboring men, "You occupy a strategic place in industry. The public must have the service which you render. But you cannot utilize this advantage to suit your individual whims when to the great public your threat to strike offers no alternative to granting demands whether reasonable or unreasonable."

It may seem that we are rather set against certain groups of laborers because we believe that their demands should be governed by reason. But these groups constitute but a very small minority of the laboring body; whereas the great rank

and file of labor need not a curtailing force but rather help and direction that they may stand on something like equal terms with the employer.

Only seventeen percent of the workers on our transportation facilities are organized, and there is practically no organization on our gas, water, electric, telephone, and telegraph utilities. When it is not with the railroad conductor that the railroad manager is bargaining, when that manager is dealing with the great rank and file of his employees, he may assume the attitude of an absolute ruler.

In 1916 the Industrial Relations Committee made an investigation of the conditions of employees on our public utilities and here are some of the results. The railroad construction camps are largely insanitary, overcrowded and improperly equipped for the health and comfort of the employees. The workers employed by the two principal non-competing telegraph companies, the Western Union, and Postal Telegraph Companies, are not only underpaid (as admitted by the highest officials in testimony before the commission) but proper relief periods are denied them while on duty.

"The wages of all telephone operators is far below the standard of decent living for women who have no other means of support." Experienced physicians testified before the committee that the nervous strain incident to certain kinds of service is so severe that certain operators must not work more than five hours a day. Yet the average day runs from seven to nine hours.

Abuse after abuse could be recounted but that is wholly unnecessary. You know—we all know—that the great mass of workers on the public utilities of this nation are unable to effect machinery which makes it possible for them to secure wages and working conditions that approximate decency.

Under conditions as we find them in the field of public utilities, for a group to secure recognition from the employer, it is necessary to create a militant organization. The employer will not listen to his employees until they are in a position to say, "if you don't grant our demands, we are powerful enough to fight on equal terms and with equal

hopes of success." As the Industrial Commission says, "There is no hope for the unorganized workman even in organization, for the railroad clerk can be too easily replaced, and an organization of telephone girls, for example, could not possibly meet the employers on equal terms because of their youth and because of the short time that they ordinarily remain in the service."

Under compulsory arbitration, these employees will have a medium by which they can become effective, for the result then depends not on the fighting might but upon the merits of the case which is presented.

Why, Ladies and Gentlemen, is this discrimination going on? Shall we permit a few union leaders representing a railroad engineer with his $175.00 a month, his five hour working day, his ideal working conditions, to insist constantly on the right and privilege of paralyzing this nation whenever he desires more wages? And shall we leave the unorganized railroad shopman to less than a living wage, odious working conditions, and long hours of labor, because his employer has conditions so adjusted that the worker has no medium by which he can secure justice and secure a decent pay for a decent day's work?

There is no other way to decide. Whether we do it now, or wait until the war is over, or wait longer until some great national strike or lockout or both combined, brings home the necessity of compulsory arbitration, only time will show.

Why not, we ask, take this particular time, when the world is thinking in terms of social justice, to put into existence that social machinery which will bring industrial justice, and through that industrial justice, industrial peace.

FIRST AFFIRMATIVE REBUTTAL

George D. Mills, Chicago

Thus far this evening we of the Affirmative have showed that compulsory arbitration provides a fair plan, fair because

(1) It gives the public that pays the bills and suffers, a voice in the settlement of labor disputes.

(2) When all other methods have failed to secure industrial peace and a strike seems inevitable compulsory arbitration steps in and makes a settlement on the right of the matter rather than on the might of the strongest side.

(3) We further showed that compulsory arbitration would remove the injustice of the present industrial situation by curbing the power both of strong labor unions and strong capitalists who by their strength are enabled to dominate the situation. Thus by the securing of industrial justice, industrial peace and continuous service would be secured.

Now what have the speakers of Northwestern said in reply? They object first to compulsory arbitration because it is undemocratic and moved by their deep love for democracy they find it necessary to oppose compulsory arbitration. But by defending the present system of labor settlement, they support the autocracy of strongly organized labor. They are defending Sam Gompers, who insolently said, as the first speaker herself told us "Labor can strike for any reason or no reason." By defending status quo our opponents stand with President Stone of the Four Brotherhoods, who in 1910 said, "If you don't grant our demands not a wheel will turn east of Chicago, and New York will starve in a week." If our opponents are the democrats they profess to be, they will join with us and support the plan which will do away with the autocracy of the insolent labor leader and the powerful employer who today is in a position to exploit the unorganized telephone operator, the telegraph operator, railroad switchman, who haven't the power necessary to receive justice under the present system.

The speakers of the Negative in their effort to befuddle and cloud up the real issue in this debate, namely, is compulsory arbitration desirable, ask us how we are going to enforce this measure. We have already shown that our measure is fair to all three parties concerned and our opponents have not denied this contention. We further pointed out that our plan would bring justice to the bullied employer and to the exploited employee, and our Northwestern friends have failed thus far to show wherein compulsory arbitration would fail to bring this justice. Our contention then, that compulsory arbitration is desirable and is sound in principle stands.

Ladies and Gentlemen, if as our friends admit, compulsory arbitration is just, fair and will improve present evils, it will be and can be enforced. Truly even our anarchistic friends who oppose a just plan because a certain element *may* oppose it, must admit that our government which today is successful in enforcing the thousands of measures on its statute books can enforce this one desirable compulsory arbitration measure.

The opposition in their effort to condemn compulsory arbitration have tried to show that the plan has failed in New Zealand. Whenever a progressive question is being discussed, be it government operation of railroads or the minimum wage, certain people arise and say, "Don't pass that law; it failed in New Zealand." But the fact that a weak little South Sea island failed to enforce a measure is no proof that the great United States would fail to enforce this measure. Pessimists urged that the United States government should never run the parcel post because it failed in New Zealand, and yet it has been successful here. President Wilson and his cabinet were aware of the fact that government operation of railroads had failed in New Zealand, and perhaps to the surprise of our Northwestern friends, took over the railroads despite the Australian experience. And our opponents must admit that it is well that President Wilson did not reason as they do this evening.

Now that our friends from Northwestern have taken us to New Zealand, we intend to stay there. Altho the weak dependency did fail to enforce the law, the one undeniable fact remains, compulsory arbitration brought justice to the workers of New Zealand. Prof. M. Hammond of Ohio University, who studied conditions in New Zealand and who is no friend of compulsory arbitration, says, "To the worker generally the system of compulsory arbitration tends to guarantee a fairly high level of earnings and moderately good working conditions, which may not be as good as strongly organized bodies of workers could obtain without the law, but which are higher than most laborers would obtain without some scheme of industrial regulation."

Before dismissing the Antipodes from this debate, we wish the next speaker to answer these two questions:

(1) If compulsory arbitration is such a failure, why has

it been supported by labor, capital, and public there for the last twenty-three years?

(2) If compulsory arbitration works such great injustice to the workers why has the unions' membership, and remember only union workers receive the benefits of the act, increased 100% since 1906?

SECOND AFFIRMATIVE REBUTTAL

Edgar Bernhard, Chicago

It appears that the speakers of the Negative have spent so much of their time informing themselves about the colonies of England (which I assure you will be dealt with in just a moment) that they have failed with keeping abreast of the times with England herself. "Why is it," they ask, "that England has not adopted compulsory arbitration if it has been a success in her colonies?" Let me inform the speakers that President Wilson called upon Sir Stephenson Kent, who (as the speakers of the Negative seem not to know) is the head of the labor department in England. Our President invited his investigation and suggestion. And what was it Sir Stephenson Kent proposed? Compulsory arbitration! And he assured the President that it was working out in England favorably both to the worker and employer. And he also said, "If my country had as many as one-eighth as many strikes as the United States, we would long ago have had to conclude a disgraceful peace with Germany!"

And now let us consider those colonies of England with which the speakers of Northwestern seem greatly concerned. First of all, the Canadian Disputes Act is merely an investigation act. The lack of a compulsory feature results in the fact that employers can prepare against the employee during the thirty-day investigation period and then reject the award because they are now prepared to put down any strike. Also note that the Canadian Law deals with effects and does not deal with causes, as my colleague has pointed out, the case with compulsory arbitration as we propose it.

As for New Zealand, the speakers of the Negative can well point out, as they have done, that strikes did occur

there. But they neglected to state how many of those strikes were really illegal—and therefore under the jurisdiction of the compulsory arbitration law, and how many were legal—and therefore strikes which concerned us not at all. Also, the speakers have, thru some oversight neglected to inform you that in New Zealand, the law allows any seven men to form a union. That means that a majority of that union—or four men—can call a strike. Every time four men get together and decide they want 50c more wages, the speakers of the Negative tally one for strikes in New Zealand.

And, we are having a great deal this evening of the opposition of organized labor to this law. Now fortunately I happen to be in a position where I can tell you something of the present day attitude of labor toward labor controversies and arbitration as a whole. Two weeks ago, I interviewed President Fitzpatrick of the Chicago Federation of Labor, today conferring with President Wilson in Washington, concerning the very question of labor disputes. I said to him, "If you do not believe in compulsory arbitration, what do you believe in?" And he answered, "I believe in force." That, Ladies and Gentlemen, is what organized labor favors. My next question naturally was, "What is your attitude towards voluntary arbitration?" And his answer was; "I believe in it!—Provided you've got a club up your sleeve!" Organized labor's attitude is the same toward the voluntary arbitration that the speakers of the Negative are advocating as it is toward compulsory arbitration, we of the Affirmative are proposing,—if they fail to get their demands, they prefer to use the club up their sleeve. If the speakers of Northwestern reject compulsory arbitration because of the fact that labor seems opposed to it, then let them reject, for the same reason, the voluntary arbitration that they themselves are proposing.

And now about the justice of compulsory arbitration? Do the speakers of the Negative mean for us to believe that a break of strength is a closer approximation of justice than getting around the table to talk the matter over? Justice? Why, Ladies and Gentlemen, there was a telegrapher's strike in the East. The men asked for an eight-hour day, and that women doing the same work as men be given the same pay.

But they lost that strike. Why? Because they were weaker than the corporation that employed them!

That is the justice the speakers of the Negative are pleading for. A justice which depends not upon the facts in the case but upon the relative strength of employer and employee.

THIRD AFFIRMATIVE REBUTTAL

Ralph D. Goldberg, Chicago

I wonder how many of those present here this evening would be sitting more comfortably in their seats, if there were an international compulsory arbitration court established for the peace and safety of the world. Compulsory arbitration between dissenting nations is the aim of democracy. It is going to be a difficult job to enforce this kind of compulsory arbitration—a far more difficult one than the mere enforcing of an industrial compulsory arbitration law. And yet, with the United States spending billions of dollars on war bonds and sending millions of men across the ocean to prevent domination in Europe, the speakers of the opposition have based their entire case upon the inability of the same United States to prevent domination within our own shores.

At the outset of this debate, we pointed out as our first contention, that in a democracy, majority rights are paramount, and that continuous service to the public must be guaranteed, if we are to protect those rights. The speakers of the opposition have admitted our first contention.

Our second contention claimed merely this continuous service could best be obtained through industrial justice to all concerned, and that compulsory arbitration, by giving everyone a fair voice in the matter, was the best means of attaining that industrial justice. The speakers of the Negative, while ignoring the matter of justice have confined their case to one issue, namely that you cannot make labor accept an unfavorable award. Note this, Ladies and Gentlemen, they have not asked whether the award is just or unjust, but only whether it is favorable or unfavorable. Things have come

to a deplorable state indeed, when a United States tribunal, representing ninety-six million people, and making a decision as nearly just as possible, must stop and find out whether that just decision meets with the whims of less than fifteen percent of the comparatively few workmen engaged upon our public utilities. We of the Affirmative contend that it is not impossible to make men accept a just award. We maintain that by a system of causes and effects, as outlined by us, by a means of arresting unreasonable leaders, we can enforce this measure or any other measure necessary to the protection of the public.

Public opinion, when aroused will see to the enforcement of any measure whether it relates to strikes or not. We pass laws to close the saloons on Sunday and yet they may remain open, but when violations of the law become flagrant, public opinion will see that the saloons are closed. By the very nature of public utilities, once this compulsory arbitration law is disobeyed, the public goes without the necessities of life, and the necessary arousing of public opinion will take place. President Wilson says in his book, "The State,"—"When the public sleeps, then only, are laws unenforceable."

As a final claim to your attention, the speakers of the opposition have presented to you a plan for settling disputes on public utilities. This plan is in every respect the one which we have presented this evening except for one thing; the compulsory feature. If this plan of their can meet with any success, we say by all means try it, but if this plan fails and industrial warfare ensues, then we demand the right to protect the public with an unprejudiced tribunal.

Let us compare their plan with ours. Suppose that we go to the railroad manager and say to him: "The railroads are not paying their clerks enough. You should pay them at least a living wage. But there is no compulsory feature in our plan. If you don't want to give them a living wage, you don't have to." And suppose we go to the railroad engineers and say to them: "Two hundred dollars a month is enough. At least it is enough in the minds of fair and unprejudiced men. But you don't have to accept this, if you don't want to. There's nothing compulsory about the matter, and if you are strong enough to tie up the United States traffic for unjust demands, go ahead."

If, conceding for the sake of argument, that the contention of the Negative is true and that the power of the law is futile, how in the name of common sense could we get industrial peace without even any attempt at that law?

In conclusion, Ladies and Gentlemen, since continuous service must be guaranteed to the people of the United States; since industrial justice to the workers, to the employers, and to the public is the best means of securing that continuous service; since a system of compulsory arbitration is the best means of obtaining that industrial justice because it allows all three parties concerned a voice in settling disputes; and finally since compulsory arbitration as we propose it deals with the causes of the strikes, and not the effects, and can be enforced along recognized American legal principles, or by an aroused public opinion, if necessary, we of the Affirmative urge the adoption of compulsory arbitration on our public utilities.

Negative Speeches in Debate Against the University of Michigan

FIRST NEGATIVE

Edwin Nelson, Chicago

The opening speaker for Michigan has pointed to the failure of voluntary arbitration in the recent railway crisis resulting in the Adamson Law, and asks us to explain the failure of voluntary arbitration in that instance.

Ladies and Gentlemen, for the purposes of our debate tonight the important fact in that crisis is not why voluntary arbitration failed, but would compulsory arbitration have worked out any better. We do not intend to justify the attitude of labor which many believe stampeded Congress into passing the Adamsn bill. That situation is interpreted by everyone as he sees fit. If a question may be illuminated by another question, it might be well asked, what would have happened if resort was made to compulsory arbitration? A not uncommon opinion of labor students is that the country would have faced a tragedy rather than an uncomfortable situation.

Now the question debated tonight is not one to be considered in trifling terms. Compulsory arbitration, according to the wording of the question, is to be tried out for all labor controversies affecting our railways, state and interstate, including over 530,000 miles of single track and employing over 2,000,000 men; in all controversies affecting street car lines wherever they may be; in all waterworks; electric and gas companies; elevators; warehouses and express businesses, industries capitalized at over 27,000,000,000 of dollars and situated, not in one state, but in every city, every state, every town, every hamlet in the whole United States.

Unfortunately, by wording of the question, the Affirmative in the discussion tonight are limited to compulsory arbitration and compulsory arbitration alone in the settlement of all disputes on public utilities. And they must advocate this measure, not in terms of ten, twenty, or fifty years hence,

when a new era may have ushered in a changed human nature, but in terms of the immediate. Keeping these facts in mind, let us turn the searchlight on compulsory arbitration and see it as it really is.

Economists, judges, legislators, and business men are more and more applying the practical test to economic legislation. This test is decisive. In agreement with this practice, a simple question may be asked: Will compulsory arbitration stop strikes on public utilities? Casting aside for the moment at least theoretical arguments as to probabilities, let us see what it has actually done towards stopping strikes in countries where it has been tried out.

New Zealand and Australia are the only two countries that have adopted compulsory arbitration on all public utilities. There it has been in effect since 1894. Its history there is but too well known to demand a recital in detail,—how it was first adopted by an indifferent legislature; how with New Zealand on the crest of a wave of prosperity, it had some temporary success; how reaction set in and discontent with the measure accompanied by evasions, strikes, and riots, increased year by year; and finally how in spite of admendments by every legislature we now see the measure being fought by employers and employees whenever it suits their ends,—a source not of industrial peace, but of industrial warfare. Thus we find the allied Labor Council of New Zealand saying: "Compulsory arbitration is not even a partial solution of the labor problem in New Zealand."

"It must be borne in mind that New Zealand and Australia are highly socialized countries. There we see workingmen's compensation acts; industrial insurance; old age pensions; minimum wage laws; government ownership, all working out successfully side by side. Yet even in that great economic laboratory, where every condition was favorable to the success of compulsory arbitration, when applied to but 3,000 miles of railway, it failed. Yet our guests from Northwestern say: "adopt compulsory arbitration on all public utilities in the United States. It will bring peace." They urge its adoption in this country, Ladies and Gentlemen, in this country where the individual element has always been emphasized and where a paternalistic attitude on the part of the government

has not been welcomed. The Affirmative would have us apply this measure, not on 3,000 miles of railway, but on over 530,000 miles of railway and 1,610,000 miles of telegraph lines alone.

We would ask how they justify such a request. Do they believe that compulsory arbitration will suddenly forget its past; the failures, the evasions, strikes, revolts and bloody riots which checker its whole career? If they so believe, they are blinding their eyes to the spectacle of 3,000 men led by Tom Mann, marching in armed fury on Broken Hill in New South Wales. Is the terrible disaster of 1913 which started among the wharfworkers and spread rapidly to all industries threatening the very foundations of New Zealand's government, so soon forgotten?

Let me make this point clear. The core of this situation is this: that pushing an award down labor's protesting throat, proves a poor foundation for industrial peace, especially when that award denies the recognized ideals of the American workingman. You answer peace! Industrial peace! As much as we desire peace, we do not want a peace that tramples industrial justice under heel. We have now abandoned our selfish national peace and are now defending the principles of international justice and fair play with the life blood of the country. The American workmen ask justice, also.

Another test may be made by asking what is the attitude of the workmen toward compulsory arbitration? For since it is this group who will be the most affected by the measure, reason dictates that their views shall be seriously considered. Samuel Gompers, President of the A. F. O. L., says: "I am opposed to compulsory arbitration in any form." W. S. Carter, President of the Brotherhoods of Local Firemen, says: "I am opposed to compulsory arbitration."

Possibly this is enough to satisfy the Affirmative in regard to organized labor's attitude. If more evidence is desired, however, more will be furnished.

There is an objection to the adoption of compulsory arbitration in the United States that is found in no other country, but which is vital. It is this. In New Zealand the arbitration courts have final jurisdiction in all disputes which

come before them. There is no appeal from their findings, and so they have the power to take most extreme steps and to meet an emergency. In the United States, however, we have an entirely different state of affairs. Here no arbitration court, however organized, could possibly have final jurisdiction. Why? Because under our present form of government, all these cases are subject to judicial appeal. So endless appeals to the ordinary courts would always be possible, involving delays and expense. In fact, unless you change the American form of government, the right of appeal to the supreme court of the United States cannot be denied, let the decision of your arbitration board be what it may. Now, just what does this mean? It means that the Supreme Court of the United States in the end will pass upon the decision of your arbitration board. There is no alternative under our present form of government. It is unnecessary to ask what is happening in the meantime. Whether all this delay will be attended by patient, peaceful waiting.

There is a bigger question at stake. The Supreme Court is the court of last resort in compulsory arbitration. That means that in the eyes of labor, the Supreme Court will decide the justice of their cause. In other words, as a basis for industrial peace, you have a court whose record for industrial justice is such, that even now labor cannot refer to it and still keep within the confines of the English language. Now, whether rightly or wrongly, just or unjust, whether we believe or disbelieve, agree or disagree, nevertheless, there is the attitude of labor towards the courts, and for the purposes of the discussion tonight, this is the only vital factor.

To recapitulate: It is obvious that industrial peace is desirable, especially on public utilities. The queston we are debating is: Will compulsory arbitration bring industrial peace and justice? And on a fair showing of the facts, it must be concluded that it fails. It did not succeed either in New Zealand and Australia where conditions for its success were ideal and it has less chance of success in the United States, where opposition to the measure is encountered on every side.

In conclusion we should like to have these two questions left with the Affirmative: First, Will compulsory arbitration

bring industrial peace. Second, Will it bring industrial justice. We believe these questions are vital to this debate and worthy of their serious consideration.

SECOND NEGATIVE

Rose Libman, Chicago

My colleague, in his constructive speech, left with the gentlemen from Michigan this question, "How are you going to make labor have faith in the Supreme Court?" And what have they answered? THEY HAVE DENIED THE FACT THAT THE SUPREME COURT WILL BE THE FINAL COURT OF APPEALS!

Now, Friends, our friends know, as well as you and I know, that so long as our government remains what it is, the right of appeal cannot be denied. Then why have the gentlemen refused to recognize this fact? It was because they knew this attitude of labor toward the Supreme Court, an attitude engendered by a long series of decisions like the Danbury Hatters decision, the injunctions of Judge Dayton, the Buck Stove and Range decision. It is because they knew this attitude of labor toward the Supreme Court, and they feared to advocate a new field for the Supreme Court, in the face of this opposition.

Realizing that their measure can never gain the support of labor, they have glossed over this important factor, pointing out that in settling problems affecting a great and vital portion of the people, we must sometimes revert to the good old utilitarian principle of "the greatest good to the greatest number" even if this entails a neglect of the minority. From this standpoint theiy have expressed their deep and moving concern for the public, a most commendable attitude, which we hope they will not choose to abandon.

It is because of their interest in the innocent public, that we must point out to them that one cannot safeguard the interests of anyone by theory. A thousand statutes which do nothing but remain on the books of a state, will not protect the life of a single individual in that state. Thus, by insist-

ing on public welfare, the gentlemen themselves have driven the subject of compulsory arbitration to the issue of practicability. If compulsory arbitration is to protect the public, the Affirmative must show beyond a reasonable doubt, that it is enforceable.

Secondly, if compulsory arbitration is to accomplish the desired end of bringing about this industrial peace that the public yearns for, they must show us that besides being enforceable, the measure will be acceptable to the parties involved. We are not debating a penal measure for criminals here tonight. The coercion involved in compulsory arbitration is to be applied to American workingmen and American employers. Will they accept it? If compulsory arbitration is to be rammed down their protesting throats with a bayonet, it is plain that we do not want it as a basis for industrial peace.

First, as to enforceability. In New Zealand, where labor was from the beginning in favor of compulsory arbitration, Broadhead, in his book, "State Regulation of Labor in New Zealand," says, "So long as the Court continued to give the workers some concession, the latter made no complaint, either against the Court or the Act, but whenever the Court thought fit at any time to change its policy, loud dissatisfaction was expressed."

Now, we all know, that in any system purporting to be just, decisions cannot always be favorable to one party. And yet, if labor will not accept unfavorable decisions under compulsory arbitration, there is nothing to be done. At the outbreak of the War, English labor endorsed the Munitions Act, an act of compulsory arbitration. In 1915, a dispute arose among the South Welsh miners about wages. Even here, where labor had endorsed compulsory arbitration, and where the welfare of the nation was at stake, 140,000 miners refused to work. The Munitions Act was applied, but no fines could be collected. The miners won that strike, which had occurred, remember, under compulsory arbitration.

Now in the case quoted above, despite the theoretical safeguarding of the public, by the legal presence of the Munitions Act, we will venture to say that the public suffered just as much through its failure of enforcement as it would

have by its absence. But what could have been done? To fine every one of the 140,000 strikers was found to be an impossible task. To imprison them would have been just as impossible. As a union, they were not incorporated, which made it impossible to attach their funds, if there had been any. Let me say in passing, that the unions of the United States are unincorporated. The conclusion is, of necessity, that if the means of enforcing compulsory arbitration are inadequate, the measure ceases to protect anybody.

Let me qualify. That is, with the usual methods used by our courts, you can do nothing. But the gentlemen of the Affirmative have said that they are in favor of "strenuous measures." We might even resort to the use of the state militia to prevent the laborer from leaving his post. Assuming that the United States can enforce anything, if the steps taken are drastic enough, let us grant a situation in which the workers are restrained from striking, and return to their work, dissatisfied. What guarantee can you give to the employer that these men who unwillingly remain at their posts will give the same quality of service that they did previously? You have returned the body of the worker, but you can no longer guarantee his loyalty to his work.

You have then, an unsatisfactory award, a dissatisfied worker. The history of the case does not close there, nor is the public interest safeguarded under these conditions. What will prevent the worker from loafing on the job, if he thinks the wages paid him are inadequate? What will prevent him from neglecting his machinery, if he feels that he is the impotent tool of a capitalistic machine that will not even allow him to withhold his labor? Will you guarantee that railroad trains are on time, that carloads of perishable foodstuffs are not accidentally sidetracked to let lumber loads go by? Mistakes are unavoidable. How can you guarantee that telegraph messages are delivered properly? A telegram has nothing tangible to refer back to as in the case of the written addressed letter. If anyone of the two hundred operations listed by the Telephone and Telegraph Company is accidentally omitted the telegram cannot be traced and an important message is lost. This multiplication of unavoidable mistakes, this carelessness, Friends, is sabotage. Once

allow the worker to take his first step in this direction, and there is no lack of counsel to instruct him in the school of *silent warfare.*

We have in the I. W. W. a set of social revolutionists whose moment of triumph begins with the break between capital and labor, and who secure a foothold in the deepening of this gulf. A satisfied man is not susceptible to the rumblings of discontented reformers in the atmosphere. The words "oppression," "exploitation," mean little to him. But once let him feel that he is impotent against capital, that the right to strike is denied him, by a despotism, no matter how benevolent, that shorn of a voice in his own government, through the disruption of collective bargaining, he becomes an easy prey of the anarchistic propagandists. No, we do not mean that he will immediately go and join the organization, but come to him now and tell him that he is oppressed, exploited, ground under the heel of capital, and the words will be filled to him with an actual meaning.

Secretary of Labor Wilson recognizes this fact when he says, "In such cases of coercion, the workers tend to fall away from the pacifying influence of organized, constructive and responsible labor, and to come under the leadership of irresponsible revolutionists."

One of these "irresponsible revolutionists," Emile Pouget, the notorious French advocate of sabotage, says in his book on the subject: "The American Federation of Labor has a motto, 'A fair day's wage for a fair day's work.' Let us reverse the equation," he says to the dissatisfied workingman, "and we find that this motto means also 'an unfair day's work for an unfair day's wages.' An unfair day's work on a railroad might make us wonder as to the expediency of unwilling labor."

The gentlemen of the Affirmative are advocating a proposition tonight in which the final judgment is to be rendered by a court whose intelligence we would concede to be beyond question, whose fairness is to be the highest that honesty can furnish. The futility of this is ridiculous. Once allow the coercion to go beyond the point where labor will willingly accede to it, and with sabotage as a weapon, the worker is the only Supreme Court there is. He decides just what labor

he will give for the wages and conditions offered him. Let me illustrate. In Bedford, Indiana, some workers were notified of a forthcoming reduction in their pay. Labor made itself the judge. The men went to the neighboring machine shop; had their shovels cut smaller, saying, "smaller wages, smaller shovels." "If labor is a commodity,," says the French syndicalists, "you must expect an inferior article for less pay."

In public utilities, the inferior service may mean a tie-up of transportation, the spoiling of food supplies en route, the derailing of engines, the stoppage of telephone and telegraph service,—a general prostration of industry, and this in the most innocent and intangible way. And yet the gentlemen of the Affirmative tell us tonight that they advocate compulsory arbitration for the good of the public.

Now after all, just what have I been trying to prove to you? That with the ordinary methods of the courts of law, you are impotent before the employee, because you cannot make him accept awards that he is not willing to take. And further, if you go to more violent measures of coercing the employee, in the long run, with sabotage as his weapon you are just as impotent. And in allowing the worker to realize that we are following the un-American principle of "government without the consent of the governed," you will be sowing the seeds of a dissatisfaction that cannot but prove disastrous to the very foundations upon which our democratic government is built.

THIRD NEGATIVE

Benjamin Perk, Chicago

Our guests do not seem to understand the true position of the Negative. We believe that industrial peace and industrial justice are desirable, but we must condemn compulsory arbitration because it will not bring about these desired ends.

The experience of New Zealand with compulsory arbitration has been discussed at some length by the Negative, but the Affirmative has ignored the past failures of this de-

structive measure. We have brought up this evidence to show you that compulsory arbitration as a principle has broken down under the most favorable conditions. Devise what terms you may to color the administrative aspects of the question, but you cannot change the principle of compulsory arbitration and when the principle breaks down, it is time to take notice of such fact. But the Affirmative was going to present a new plan, an American plan, a faultless plan of compulsory arbitration, and for twelve minutes I waited eagerly but in vain to hear that novel scheme which they, in the seclusion of their study, and with the full confidence of youth, have determined and now propose to give to the world in place of what the master statesmen of two continents were able to accomplish in the last twenty-five years.

Honorable Judges, the Affirmative, well realizing the destructive possibilities of compulsory arbitration when applied to our public utilities, has attempted to becloud the true issue of tonight's debate by telling you how compulsory arbitration will aid the great unorganized workers. But there are many and more effective ways to deal with this group. Our guests have not told you that 86% of the railroad conductors are organized, that 76% of the locomotive engineers are organized, that 54.7% of the trainmen are organized and that when there is more than 50% organization in any occupation, the wages of the unorganized are brought up by the activities of the organized. They have not told you of the splendid accomplishments of trade unions with their true collective bargaining and yet they would devise a system that would destroy all that labor accomplished by its trade agreements in the past. They have not told you what can be accomplished by intelligent and effective remedial social legislation designed to improve and alleviate the working conditions of the now unorganized laborers on our public utilities. The best immediate way to aid these unorganized is to do all we can to encourage their unionization not merely into governmental institutions for wage-fixing purposes but into real unions with true collective bargaining.

Furthermore, Honorable Judges, our opponents have said that compulsory arbitration will not break down collective

bargaining. But they forget that under compulsory arbitration, you put in the air the spirit of "you must," or "you shall do this," and that spirit will color every proceeding. When the mailed fist is held over the heads of our laborers to force them to do something against their wills, you have a system which is entirely inconsistent with conciliation which is based upon the compromise ideas and the operation of free parties. Compulsory arbitration and collective bargaining are antitheses, are opposites, are irreconcilable, and cannot exist side by side. If you have one, you cannot have the other. The court of arbitration is not a court of last resort but a court of first resort. If we adopt compulsory arbitration, it will break down our whole system of trade unions and will undo all that has been accomplished by the many trade agreements of the past. The Street Railways Employees Association afford us an illustration of the growth of trade agreements. In 1901 there were 22 written agreements providing the means through which capital and labor could settle collectively controversies arising because of wages, hours of labor, or other conditions of work. In 1907 there existed 114 trade agreements; in 1913, 186 and in 1915 there were 203—203 trade agreements providing for continuous service and settlement of disputes through the democratic methods of collective bargaining. This is evidence that labor looks forward eagerly to protect the public interest and that conciliation has been successful. Therefore, if compulsory arbitration is to destroy all these accomplishments, it is undesirable and should not be adopted.

Compulsory arbitration is undesirable in the second place because it furnishes no basis for industrial justice. It furnishes no basis for industrial justice because of four distinct reasons. First; such strong unions as the Railway Brotherhoods cannot be forced to accept unfavorable terms, and awards. Second, awards must necessarily be be based upon expediency. Such has been the experience of compulsory arbitration in Australasia. For example, the Victoria Railroad Strike of 1913 was settled, not upon the basis of justice but by granting all the demands of labor, and this is nothing more than basing awards upon expediency. Thirdly, one side or the other can dominate the arbitration board.

This is not the mere statement of a casual student, but is the admission made by Judge Higgins of the Australian Commonwealth Arbitration Court, who has had more experience with the actual working of compulsory arbitration than any other man in the world. Fourthly, compulsory arbitration depends for its effectiveness not upon the moral support of the people but upon armed force. This tends to develop increased dissatisfaction and contempt for law and that which has this effect is "the very essence of all that is pernicious and no one thing is more subversive to good government." It is because of these considerations that compulsory arbitration offers no foundation for justice.

When such men as Judge Higgins, men who advocate compulsory arbitration, call it "a modern rifle to coerce labor," does that sound like justice? Ladies and Gentlemen, any scheme which is based upon the elements of force, of thrusting awards down the throats of labor, is the very opposite of justice.

It is all well to say to labor and capital "get around the table and come to an agreement and if you don't agree we will force you to." Now this is simple to the superficial student of labor problems, but it is strange that those men who have made a life study of compulsory arbitration, who have seen it work out in practice, those men who understand the living thoughts of living men, do not at the present time advocate compulsory arbitration.

Can our guests from Michigan so blindly maintain that they are protecting the public interest when they seek to pass compulsory arbitration, a measure which has the following indictments:

It has failed wherever it has been tried. It permits the U. S. Supreme Court to set the wage standards and that body in labor's eyes, whether right or wrong, is not fit to deal justice to labor's cause. It breaks down collective bargaining for which labor has struggled fifty years. It cannot be enforced as all past experience has shown. It fails to consider the human element, the psychology of labor, and thus increases dissatisfaction and widens the gulf between capital and labor. Finally it does not lead to industrial justice. We do not want to add unduly to the already heavy

burden of the Affirmative but they must answer these indictments before they can establish their case.

Honorable Judges, fortunately compulsory arbitration is not the only plan we can adopt, but even if it were, we could not advocate it because of its many inherent disadvantages.

Before going into the details of our plan, let us lay down one fundamental fact. The Negative does not advocate the plan as a means to eliminate all strikes, for we know that as long as we have such things as human nature, capital and labor, we will have some difficulties. What we seek is to minimize them. Compulsory arbitration, also, by the very admission of the Affirmative, cannot alleviate and eliminate all strikes. Therefore on this point we are at agreement, and there need be no further discussion with reference to it. The plans will have to be prepared on the basis of other considerations.

If we are to go to the very heart of labor problems, if we are to adopt a policy that best conforms to the American traditions, practices, and ideals, we must develop a constructive labor program which assures labor and capital that they are co-partners, in the administration of their affairs. We advocate the principle of conciliation, the principle that labor and capital shall make agreements collectively. Conciliation is successful because both sides get together and without the intervention of an outside body to force them to do this or that, determine what the conditions of work shall be for a certain period of time, and, Ladies and Gentlemen, even if this settlement is often a compromise, both sides respect and consider it just because they made it together. To co-operate with the conciliation experts, we advocate that permanent investigation boards without judicial power be established. Their duty shall be to make continuous study of industrial conditions and to publish all the findings. Furthermore, they shall be a means of educating the public. Today the public is an impotent factor because it is ignorant of the real facts of the case, but when we have an educated public opinion, an enlightened public opinion, then we can have more effective conciliation.

Let no one here think that organized labor does not care for the public interests. What organized labor wants, is to

settle disputes by democratic methods and that means by trade agreements betwen capital and labor. The fact that the longshoremen and the shipbuilders have agreed not to strike during the war and to settle all their controversies by trade agreements, by conciliation, is evidence that organized labor will do all it can to aid this country in the present crisis and that it seeks to have continuous service on our public utilities. Thus far, the practice of conciliation has proved successful and we should encourage it as far as possible and not attempt to destroy it by compulsory arbitration.

Honorable Judges, note the differences between compulsory arbitration and this plan. On the one hand, you have a system based upon the spirit of forty years ago when we denied labor the right to organize. You have a system based upon the spirit displayed in the West Virginia Coal Miners strike or in the Danbury Hatter's Case, where workmen were evicted from their homes. You have a system based upon the doctrine of coercion, of compulsion, of industrial injustice, and of what labor considers governing without consent of the governed. Finally you have a system which by its very nature must increase industrial difficulties.

But on the other hand, our plan, though it may not be absolutely perfect, holds forth a democratic ideal to labor. It is built upon the doctrine of conciliation. Its effectiveness depends not upon armed force but upon an educated public opinion and upon trade agreements made and respected by both sides. It assures labor and capital that they are co-partners in administrating their affairs, that they are co-operating units, and thus it presents an opportunity to secure industrial peace and industrial justice.

FIRST NEGATIVE REBUTTAL

Edwin Nelson, Chicago

The isolated quotations taken from the gentleman in California remind me very much of a quotation from the speech of Hon. J. Rigg, representative in the lower house of New Zealand. He said: "Some people talk of the failure of the

Compulsory Arbitration Act,—the act has not failed, but only the section dealing with strikes."

But let us get closer to the question. Let me quote, not from some unknown gentleman in southern California, but from those men who have made the study of compulsory arbitration part of their life's work and who have been actually engaged in administering the measure. Hon. Mr. Miller, Minister of Labor of New Zealand, in a speech before the House of Representatives said: The Compulsory Arbitration Law was never intended to stop strikes, and never could, and neither this nor any other law ever could." Does this look like industrial peace in New Zealand? Ernest Aves, an expert, commissioned by the British government to report on compulsory arbitration in New Zealand, says in the summary of his report,—his summary, mind you: "Compulsory arbitration in New Zealand is worse than useless for it tends to cultivate a spirit of antagonism between employees and employers." Carrol D. Wright, Commissioner of the United States Department of Labor, whose belief and liberal attitude is doubtless well known to our guests from Michigan, has this to say on compulsory arbitration: "Every time any country has attempted to fix wages by law, whether in America or Europe, there has been a very contemptible failure."

"New Zealand has enjoyed the highest degree of peace the world has ever seen," to quote the words of the second Affirmative speaker. Friends, let us examine the statistics taken from the United States Bureau of Statistics for 1916 bearing on this so-called "highest degree of peace." We find that New Zealand, an island of 1,000,000 inhabitants, had 100 strikes or one for every 10,000 people, while the United States with 100,000,000 population had 3304 strikes or one for every 30,000 people. In proportion, three strikes have occurred in New Zealand to every one in the United States. Truly, a remarkable degree of peace!

The second Affirmative speaker said: "Compulsory arbitration has strengthened the unions and unionism in New Zealand," and he quoted figures to support his statement. We believe his figures are correct. The number of unions has increased in New Zealand. At first blush this would

seem to point conclusively to the fact that compulsory arbitration fosters the growth of unions.

But if the gentlemen had read the other side of the page he would have known that in New Zealand all workers must organize into unions in order to come under the provisions of the compulsory arbitration act;—that it only takes seven workers to form a union;—that it takes two employers to form a union;—that the figures given include unions of both employers and employees, whereas in the United States only employees' unions are considerd;—and that these organizations are gotten together for a single temporary purpose, after which they will disband. They are not unions at all, as we know them.

Ernest Aves says in his report: "Compulsory arbitration and trade unions are incompatible and irreconcilable. They are two things trying to achieve the same ends by different methods. Under compulsory arbitration we find the petty, dispute-loving industrial unions. . . . from which all the best characteristics of the English trade unions are entirely missing."

Our friends have sought to dismiss the New Zealand experience by a reference to carefully chosen figures and phrases. And well may they seek to ignore the past in the case of New Zealand, because compulsory arbitration failed there! Failed in a country where every condition was favorable to its success; where we see workingmens compensation acts, industrial insurance, old age pensions, minimum wage laws, governmental ownership—all working out successfully side by side; failed in a country where the welfare of the people is the chief concern of the government.

In conclusion we ask our guests to explain away the New Zealand experience—if they can—and to show how they are going to convince labor—mind you, Ladies and Gentlemen, labor, not us—that the Supreme Court will sit in all wisdom and justice on their cause.

SECOND NEGATIVE REBUTTAL

Rose Libman, Chicago

So far the gentlemen from Michigan have sought to agree with us in everything to the extent that they even agreed that voluntary arbitration is desirable. They have sought to make you believe that voluntary arbitration and compulsory arbitration, two systems which are the very antithesis of each other, can exist side by side at the same time. "Let voluntary arbitration proceedings go on," they tell you, "while our system will serve only as a court of last resort."

Now let us see what would happen in such a case. That party in the voluntary arbitration court will say to the other party in the dispute, "No, I will not argue with you, nor arbitrate with you. I'll see you in compulsory arbitration court, and compulsory arbitration court only." Thus your court of last resort becomes the court of first resort, and despite the gentlemen's indisposition to argue on the subject of compulsory arbitration, we must bring them back to that subject again.

We have asked the gentlemen of the Affirmative how they propose to enforce the system they advocate. They have finally suggested that the imprisoning of leaders and attachment of union funds would break labor opposition. In the first place we wish to point out to our guests from Michigan that imprisoning leaders does not kill the philosophy that lies behind labor action. When you imprison leaders, others arise to take their place, and the convictions of the laborers behind the leaders remains untouched. In the case of the United Mine Workers of America in the recent Illinois strike, Secretary White and President Farrington themselves urged the miners under them to return to work, but the workers refused. We ask the gentlemen of the Affirmative whether imprisoning the leaders in this case would have brought the miners back to their posts. In the Lawrence strike, when the leaders, Ettor and Giovannitti, were imprisoned, the strike raged more fiercely than it ever did before.

What else have they offered to prevent strikes and enforce the awards of compulsory arbitration? The gentlemen from Michigan have proposed the method of attachment of union funds. Now we have previously pointed out that the unions of the United States are not incorporated, and to attach the funds of an unincorporated body is a legal impossibility. Now Chancellor Kent of the New York Court of Chancery says you cannot make a body incorporate against its will *directly*. We grant that, in the long run, by roundabout legislative methods, the incorporation of the unions could be brought about. But this would take many years, and is outside of the scope of the present question.

If the funds of the unions cannot be attached, what is the next step in this punitive process? The Supreme Court has ruled in the Danbury Hatters Case that the members of the union can be made responsible for the debts of the union. Perhaps the gentlemen would advocate a recurrence of the Danbury Hatters policy. Here the courts were admirably successful in collecting $250,000 of award. One hundred and ninety-three members of the union were chosen, and against these proceedings were instituted. These members were chosen, not for their prominence in the union activities, but because they by their thrift had managed to save up small bank accounts, because they had erected small homes for themselves. In order to collect the money, the court turned these people out of their homes, and before the American Federation of Labor came to their rescue, one hundred ninety-three people were turned from self-respecting citizenship to a state of vagabondage. Thirty of them died, and two were driven insane. This is the only enforcement we know.

Now all this regrettable incident occurred not under compulsory arbitration, we know. But compulsory arbitration, in order to enforce itself would have to repeat this case again and again and again! A flagrant example of practically the only time that they tried to enforce the measure in New Zealand is the case of the Wellington Harbor strikes, where open riots occurred. A huge hose discharging a current of water powerful enough to sweep an ordinary man off his feet was turned upon a crowd of two thousand men, women

and children assembled in a corner. All those who could not escape were then beaten and battered down by the police officials and hired sluggers. Wherever open riot was not brought about secret warfare has brought disastrous results. In France, in 1912, enforcement of compulsory arbitration resulted in a derangement of the entire railroad system through sabotage. In Austria, in 1913, there was the same result. In Italy, the railroad employees, seeing the success of the method of sabotage in France, voted by deliberate ballot to adopt it as a future measure of warfare.

The only alternative to enforcement of the kind we have outlined is the kind of enforcement they now have in New Zealand—no enforcement at all. There we have the same system of beneficient bonuses that the gentlemen, in their reticence about enforcement plans, have advocated all evening. The workers are free to accept all these awards which they wish to accept, and free to ignore all the others. Perhaps that is why the gentlemen have considered the New Zealand experience favorable to their side,—because they were advocating the same paternalistic system of gifts with no basis of justice, which should mean fairness to both parties. The final word on the New Zealand situation is the statement of the U. S. Bureau of Labor Statistics, that "no attempt has been made to force labor to accept unfavorable terms or awards, and the limitation of compulsory arbitration in this respect has been openly recognized." Therefore the true compulsory arbitration, the only measure that we of the Negative consider this evening, has failed in New Zealand.

The gentlemen have tried, by means of generalized thought and logic, to convince you that somehow compulsory arbitration is the logical outcome of the present system. Their viewpoint is too detached. We ask the gentlemen to take a new glimpse at the situation and then to tell us how fifty years of growth of collective bargaining, fifty years growth of conciliation, can ever have as their climax a system of compulsion!

THIRD NEGATIVE REBUTTAL

Benjamin Perke, Chicago

Throughout this debate the Affirmative has neglected the fundamental practical objections to compulsory arbitration. They say that if they can establish the principle of compulsory arbitration, it will be enforced, but they have not only failed to establish that principle but have not presented any plan of enforcement that will work in this democratic government. Again we ask them—How will you enforce awards unfavorable to labor? Ladies and Gentlemen, you can talk all you want in abstract terms regarding industrial peace and industrial justice but if you cannot put your plan into practical operation, if it will not work, then you cannot argue that it will settle labor controversies on our public utilities. Remember, gentlemen from Michigan, we are debating compulsory arbitration as a practical problem and not as a philosophical one.

The Affirmative have repeatedly emphasized the necessity of compulsory arbitration to secure continuous service on our public utilities. By this statement, they limit themselves to the organized workers who have in the past created the disturbance that has interrupted service. But realizing their inability to deal with that situation, and well aware of the destructive possibilities of compulsory arbitration, our opponents in their attempt to becloud the true issue of the debate, tell us that their plan will aid the unorganized workers. The Negative has already stated that the best way to aid the mass of the unorganized laborers is to encourage their organization into true unions with real collective bargaining and to pass effective remedial social legislation to improve their working conditions. But we ask the Affirmative to come back to their original stand and tell us how compulsory arbitration will prevent strikes by the organized workers.

Furthermore, the Affirmative have used eloquent language to deplore the evils of union domination on our public utilities. Yet they have given us no evidence to show that labor has unjustly dominated the public or capital. Do they

mean to say that it is domination when labor comes before the employers and demands higher wages because of the rapid rise in prices? Do they claim that a demand on the part of the street railroad employees for twenty-four cents an hour and a nine-hour day is domination? If that is domination, then pray give us more domination. We challenge the Affirmative to give us one illustration of labor domination on our gas utilities or on our electric utilities or on our water utilities or on our telephone utilities. In our railroads, there can be no undesirable union domination if we have an educated public opinion, and our plan provides for permanent investigation boards to educate the public.

Let us examine what the greatest authorities have to say with reference to the question we are debating tonight. There are in this country two men who stand out preeminently to speak on the question of compulsory arbitration. These are Professors Le Rossignol and Victor Clark. Both have personally gone to Australasia and studied compulsory arbitration and their testimony is based upon observation of the actual facts in the case as worked out before their own eyes. It is possible for the Affirmative to quote authorities, who by the way are in the minority, but they cannot quote from men eminently fitted to speak on the question, men who have seen the proposition work out before their own eyes. Furthermore, I quote not an isolated statement removed from its context but a direct written reply in answer to the question of tonight's debate.

I read from a personal letter from Mr. LeRossignol of the University of Nebraska, dated December 28, 1917, and in answer to the question, "Do you believe in compulsory arbitration for all labor controversies involving railroads and other public utilities?" he answers "*No.*" I read from a personal letter from Victor Clark of Carnegie Institute, and in answer to the question, "Do you believe in compulsory arbitration for all labor controversies involving railroads and other public utilities?" he answers "*No.*" Of course, this is not a debate of quotations but if the Affirmative believes that compulsory arbitration is justified on the basis of its past history, we challenge them to indict these statements of the greatest living authorities on compulsory arbitration.

Now the debate is about to draw to a close. There is but one five minute speech remaining and we will have no opportunity to explain the material brought forth. But that speaker in the five minutes alloted to him cannot dispel the issues that the Affirmative have not met during the one hour and thirty minutes of this debate. He cannot adequately meet the following indictments: Compulsory arbitration has failed wherever it has been tried. It permits the United States Supreme Court to set the wage standard and that body in labor's eyes is not fit to deal justice to labor's cause. It breaks down collective bargaining. It cannot be enforced as all past experience shows. It neglects the human element in labor and thus increases dissatisfaction and widens the gulf between capital and labor. Finally it does not lead to industrial justice.

Above all, advocate whatever method he may think proper, the speaker from Michigan cannot justify a measure which waves the red flag before the eyes of labor, which says "you shall do this" or "you shall do that," a measure which is bound to fail in this democratic country, a measure which Secretary of Labor Wilson says is unfair, impracticable, and unpatriotic, a measure which tends to destroy conservative, constructive and responsible labor organization, a measure which leads to contempt for law and tends to irresponsible leadership. Throughout his closing speech, in view of these things, you ask yourself soberly: is the autocratic compulsory arbitration or the democratic method of collective bargaining and conciliation, the plan we here in the United States, under the present conditions, and with human nature as it is, should adopt as our permanent policy.

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NOTE: This bibliography has been selected from a more comprehensive bibliography, prepared by Cora M. Gettys, Reference Librarian, Harper Library, University of Chicago.

CHAPTER II

GOVERNMENT PRICE CONTROL

COE COLLEGE

RESOLVED: *That a permanent policy of direct price control should be adopted by the Federal Government, constitutionality conceded.*

This is the report of the speeches given by the teams representing Coe College, in debate with Ripon College, Ripon, Wisconsin, and Northwestern College, Naperville, Illinois. The Affirmative team debated against Ripon College at Cedar Rapids, Iowa, on March 29, 1918. The decision in this debate was two to one in favor of Coe College. The Negative speeches were delivered on the same evening against Northwestern College, at Naperville, Illinois. The decision in this debate was unanimously in favor of Coe College. In a single debate with Grinnell College at Cedar Rapids, Iowa, on March 15, 1918, the decision was two to one in favor of the Coe Negative. The Grinnell Affirmative had previously defeated Cornell College, Mt. Vernon, Iowa, by a unanimous decision. This report of the speeches was prepared from manuscripts furnished by the debaters, through Professor Leonard Racker, Debate Coach.

BRIEF

GOVERNMENT PRICE CONTROL

Affirmative

A permanent policy of direct price control should be adopted by the Federal Government; because

I. Existing conditions establish a need for such a policy; for

A. It is needed where excessively high prices are due to an interference with economic law; for

1. Speculators by creating an artificial supply have been able to raise prices; for

a. Hoarding of goods has been resorted to.

b. Goods are destroyed.

2. Unregulated monopoly has resulted in excessive prices.

B. It is needed to supplement economic law where the demand so exceeds the supply that prices become excessively high; for,

1. Profits, even where present conditions of the market are taken into consideration, are far above normal; for

a. Those in control of the markets have taken advantage of the situation to raise prices.

C. It is needed for wages have not kept pace with prices.

II. Existing conditions establish a permanent need for such a policy; for

A. All the conditions which create a present need are inherent in our economic system and will continue after the war; for

1. Attempts will still be made to interfere with the free operation of economic law through speculation and monopoly price-fixing.

2. Excess of demand over supply will still arise.

III. Such a policy would prove practicable; for
  A. A workable plan can be devised; for
    1. Congress could establish commissions with power to control prices.
    2. Price control would greatly simplify its own field.
    3. It would be no more difficult to fix a price schedule than a tariff schedule.
  B. Price control has succeeded where tried; for
    1. It has succeeded in public utilities.
    2. It has succeeded in the regulation of interest rates.
    3. It has succeeded in the field of commodity prices.
IV. Such a policy is the only logical solution to our present trust problem; for
  A. All other attempts at solving the trust evil have failed.
  B. Price control solves the problem by retaining all the advantages of combination and concentration, and at the same time destroying all its disadvantages.

Negative

A permanent policy of direct price-control should not be adopted by the Federal Government; because,

I. The adoption of such a policy would be an unwarranted experiment; for
  A. It has failed wherever tried; for
    1. Authorities are agreed that price control has never succeeded.
    2. Price control has failed in Germany.
    3. Price control has failed in France.
    4. Price control has failed in the United States.
  B. There is not agitation for the adoption of a permanent policy of price control; for,
    1. Representatives of the political, economic and business worlds are agreed that a permanent policy of price control is both unnecessary and unwise.
II. Such a policy would prove impracticable in operation; for
  A. It would be extremely difficult to fix a fair price; for,
    1. Changing economic conditions cannot be measured.
    2. Price control involves difficult problems of judgment.

B. There would be no guarantee that this fair price would ever reach the consumer; for
   1. Process of distribution is exceedingly complex.
   2. Such a plan would encourage fabrication.
C. Prices being relative, the regulation of the price of one article would necessitate the regulation of the price of related articles.

III. Such a policy is economically unsound; for
A. It would demoralize production; for
   1. It drives producers from the field.
   2. It leads to the production of less essential commodities.
   3. It destroys the confidence of the producer.
B. It would demoralize distribution; for,
   1. It drives distributors from the field.
   2. It produces a constant shortage or over-supply of commodities.

IV. Better methods of regulating prices can be devised; for
A. By direct legislation illegitimate hoarding and speculation can be prohibited.
B. Legislation preventing the use of unfair methods of competition will solve the problem of monopoly prices,

GOVERNMENT PRICE CONTROL

COE COLLEGE

Affirmative Speeches in Debate Against Ripon College

FIRST AFFIRMATIVE

Richard O. Roberts, Coe

Ladies and Gentlemen: The cost of living has become a question of such importance that it can no longer be ignored by any thinking American. With all our vast agricultural possibilities, and the most productive labor system in the world, the food problem is rising before us more every day, and unless some organized effort is made to cope with this problem, it will spell the ruin of our country. Hence the discussion of our question this evening: "Resolved, that a permanent policy of direct price control should be adopted by the Federal Government." By a permanent policy, we understand is meant a policy which will continue after the war, but we understand further, that if conditions warrant a change at any time, Congress would have the power to repeal the law.

Let it be clearly understood that the Affirmative does not interpret the question to mean that we should attempt to reduce present prices in all cases. It is obvious that prices on some commodities cannot be as low as they were in the days before the war. Our purpose, therefore, is rather to establish a policy that will insure against prices being raised to levels above what economic conditions justify, and also to hold them up to a point which will insure a normal production. In short, our purpose is to stabilize markets and put our economic system on a firmer foundation.

With this end in view, it shall be the purpose of the present speaker to show that there is a definite need for a policy of price control under existing conditions. First let us analyze the causes of the ever increasing prices of today. After allowing for a rise, which is inevitable in war times, we find that there are certain fundamental causes for our present abnormal economic condition; causes which give an immediate and an imperious need for a policy of price control. These causes we will classify under two heads. First, exorbitant prices and profits due to interference with the laws of supply and demand. This embodies speculation in its various forms and monopoly price fixing. Second, exorbitant prices and profits due to the failure of the law of supply and demand to operate because of an enormous demand over any possible supply.

Let us consider the first of these, seeing how interference with economic laws gives a need for price control. This embodies speculation and monopoly price fixing. Dealing with speculation, we have a case of a legtimate economic function being converted into a gambling transaction. Storing goods for the sake of equalizing the supply at all seasons is a valuable service to the public, but holding, or destroying valuable foodstuffs for the sake of causing famine prices is a condition which no honorable government can or should endure. Take eggs for example. We find that New York speculators made nearly $1,000,000 on eggs during a single week in November, 1916. At the same time, a Chicago speculator bought up eggs for nineteen cents a dozen, and openly admitted that he was holding them for fifty cents to eighty cents in the spring. Yet it costs only two cents a dozen to store eggs ten months. So it is obvious that speculation is making men rich in the commodity of eggs alone, while the public is forced to pay an exorbitant price for the commodity. We might also mention, as an illustration of destruction, the number of cars of potatoes that were allowed to rot in the railroad yards of Chicago last year, merely for the sake of causing famine prices. Through such means, potatoes rose to $4.00 per bushel, while according to the law of supply and demand, there should have been only a slight increase over the $1.00 per bushel which the public had been accustomed to pay.

We will go a step further in analyzing the effects of speculation, tracing some important commodity through the various stages of its production, consumption, and prices during the last decade. For the sake of clearness, we will take the example of cotton. In 1909 cotton was produced for fifteen cents per pound. In 1912 the cost of production was twelve cents, and the price was fourteen cents. In January 1917, the cost of production was practically unchanged, and the price was seventeen cents. But in August the price was twenty cents. In September it had risen to twenty-eight cents, and at the beginning of the present year, cotton was being contracted for at thirty-two and one-half cents per pound. Yet there is no shortage of cotton, either present or prospective; there is no increase in the cost of its production. The demand for cotton has fallen off more than ten per cent since last year, while at present there is a larger surplus on hand than there was a year ago. Again, we have statements of such great manufacturing companies as Bachman & Co., that there will be one of the largest cotton crops in history this year. So, from every economic standpoint, cotton should be lower in price than it was a year ago. But in reality, it has almost doubled. Seeking for the reason, let us turn to the statement of W. H. Langshaw, President of the Dartmouth Cotton Manufacturing Corporation. He says that the price of cotton has been advanced in one year from eighteen cents to thirty-two cents per pound due to manipulation and a propaganda that has fed up the public with cotton dope. Theo. H. Price, writing in Commerce and Finance, says cotton "has become a question of whether the law of supply and demand will be replaced by the law of unrestrained selfishness."

The dope that Mr. Langshaw speaks of is illustrated by a clipping from a recent New Orleans newspaper. It is a placard headed "Forty Cent Cotton" and giving several reasons why cotton should sell at forty cents per pound. Among these are: (1) Cotton goods have advanced every week this year. (2) The demand seems to increase as price advances. These are typical of the ten reasons given why cotton should sell for at least forty cents. Here, then, is a necessary commodity whose price to the public has been doubled without any economic reason for a noticeable increase. Then cer-

tainly here is a place where a policy of price control is needed.

Again, under interference with economic law, let us look into the question of monopoly price fixing. Here again, for the sake of clearness, we will take a concrete example. A clear case is afforded by the packing house industry. The four principal packing house corporations of the country made a profit of $20,500,000 in 1914. In 1916 they had more than doubled this enormous profit, making a total profit in 1916 of more than $48,000,000. Yet they were setting prices to producers so low that the total of beef raised in this country was actually depleted. In a case before the Interstate Commerce Commission in 1915, it was shown that out of fifty-six Iowa cattle men who had sold to Chicago packing houses, all but three had lost money. Also it was shown that Texas cattle raisers received at best $8.10 per hundred pounds, while it cost at least $8.50 per hundred pounds to raise cattle. So, while the packing houses were becoming rich thru enormous prices to the public, production was being actually curtailed thru inadequate compensation to the real producers. Monopolies have been a serious menace to our country, and this is but one example to show that some forceful method of regulation is necessary for the protection of the public welfare.

We have seen how we need a policy of regulation to combat interference with economic law. Next, we will explain our second need. That is where law of supply and demand, when given free play, is insufficient to insure fair prices because of excessive demand. The clearest illustration of this, perhaps, is found in the case of the steel industry. The demand for steel had risen in excess of the supply so much that in 1916 steel plates were being sold for $25 per ton. The Government was quick to recognize the injustice, and reduced the price to $65 a ton. Yet the steel magnates admitted that they were receiving a fair compensation on their production. This is only an example to show that in abnormal times the law of supply and demand breaks down, necessitating regulation to supplement it, to bridge over the break until economic law is again capable of performing its functions.

Two reasons for the necessity of a policy of price control have been shown; first, we need such a policy to combat interference with the law of supply and demand, and second, we need it at times to supplement that law where it is rendered helpless by an excessive demand. Now why do these conditions work such a hardship on our country? They are especially harmful because wages are falling far behind present day prices. Moreover, the gap between wages and prices is becoming wider and wider. At present there is absolutely no upper limit to which prices may rise; so the ultimate result is that a standard of living must be guaranteed to our laboring classes. According to the United States Bureau of Labor statistics, wages advanced nine points from 1912 to 1916, while prices advanced twenty points. According to A. R. Pinchot, in a report to the Senate, wages advanced less than 18% from 1915 to 1917, while during that time prices had almost doubled. Finally, we have a report from Miss Helen Todd, who was appointed to investigate the condition of New York school children. She stated that scholarship in the New York schools was being measurably reduced thru malnutrition.

These facts make it evident that a burden, as unnecessary as it is real, is being thrown on our laboring classes. These are the people whose hearty cooperation is absolutely necessary, not only for the successful prosecution of the present war, but also for the normal development of our economic life. They cannot be patriotic on an empty stomach. Thus it becomes a matter of necessity for the Government to insure that their standard of living be maintained.

Thus far, Ladies and Gentlemen, the Affirmative has analyzed the causes of our exorbitant prices of today, and has shown how these extortionate prices work a hardship on the country by lowering the standard of living of our great industrial classes. Therefore, we maintain that in the matter of the necessities of life, there is no longer a choice. We must have government regulation of prices.

SECOND AFFIRMATIVE

Edmund B. Shaw, Coe

Ladies and Gentlemen: Before continuing the case of the Affirmative, let us recall briefly the main contentions put forth by the opening speakers of both sides. The gentleman who just spoke, made the following objections to a permanent policy of direct price fixing. The gentleman says that present high prices are caused by three natural causes which price control cannot remove, and hence price fixing could not materially lower prices. These natural economic causes of high prices which he has named are:

1. An increased demand.
2. A decreased supply.
3. An increased gold supply, or inflation of currency.

Let us consider this. My colleague attempted to make it clear that it was not our purpose to reduce prices to levels prevailing before the war. We recognized that changed economic conditions have brought about a justified increase in prices; but aside from this justifiable increase in prices, my colleague has pointed out that there has been a sporadic increase, in certain commodities, due to speculation, monopoly, price-fixing, and such causes. It is to remedy these sporadically higher prices that we would adopt a plan of price-fixing. The gentleman also argues that our need for price control has been based on war conditions, and therefore shows the need for price-fixing only during war times. This argument will be answered in the present speech where it will be shown that there is a permanent, as well as a present need for price-fixing.

Directly opposed to these arguments of the preceeding speaker, the fallacy of which I have just attempted to point out, my colleague showed that there is a definite present need for price control where present excessive prices and profits are due, first, to interference with the law of supply and demand, thru speculation and monopoly price fixing and, secondly, where they are to an excess of demand over supply. Since the gentlemen have raised the objection that our need for this measure was based on war conditions, it will be the purpose of the Affirmative in this speech, to show

that there is a permanent need for price control and that price control would prove practicable.

There is a permanent need for price control because all the conditions which create a present need are inherent in our economic system and will continue after the war. Attempts will still be made to interfere with the free operation of supply and demand, thru speculation and monopoly price fixing. Speculation, thru hoarding and the destruction of goods, for the purpose of curtailing the market supply and thus enhancing prices, existed before the war, exists during the war, and will continue to exist after the war. In the words of Bruno Lasker, writing in the Survey: "There is no reason to believe that it takes a world calamity to make possible a corner in wheat, sugar, rice, onions, or poultry. These things have been done for many years, but it is only as a nation suffers from a pronounced rise in the cost of living or from genuine want, that it becomes painfully aware of its parasites." Examples are not wanting of successful attempts to force up the price of practically every staple commodity thru speculation, in peace times. It is an established economic law that often the sale of a lesser quantity of a commodity at a higher price, will yield a greater total than the sale of a greater quantity at a lower price. Knowing this, the commercial gambler, or food shark is often able to destroy, or in various ways keep off the market, one-half of the total supply of a commodity, and sell the other half at trebled or quadrupled prices so as to reap a much larger total than the entire supply would have brought if placed on the market. As my colleague pointed out, this very evil, destruction, was the cause of $4 a bushel potatoes, a year ago. Apply price fixing to this situation. Then food gamblers and speculators, knowing that prices cannot be forced above reasonable levels, will find destruction and hoarding unprofitable. Supply and demand will again have free play and will become the determinant of prices.

Monopoly price fixing is a second interference with the law of supply and demand which demands price control. The growth of the number of trusts and monopolies was phenomenal in the period before the war, in spite of such measures as the Clayton Act and the Sherman Act, which failed utterly to stop their dreaded work of price maintenance.

There is need for price fixing, in the second place, because excess of demand over supply will continue to arise after the war. Many of the high prices from which we now suffer are due to an excess demand. This excess demand is in some cases caused by the war, which has retarded production and increased consumption. But this moderate excess demand has raised prices of many staple commodities to unheard of levels, out of all proportion to the cost of production. Charles R. Van Hise, President of the University of Wisconsin, writing in the Annals of the American Academy, says: "It is safe to say that upon the average the demand does not exceed the supply more than 20% and in scarcely any commodity more than 30% or 40%. However, this moderate excess demand has been sufficient to raise prices of many essential commodities by 100 to 400%." And this moderate excess demand, which works such havoc with prices, can arise in peace times, thru increased consumption, a general strike in an industry, a crop failure, or a railroad tie-up. The war had nothing to do with the present seedcorn shortage which has put the farmers at the mercy of the seed houses, and which has led to the adoption of price fixing for this important commodity in Illinois and Iowa. This example simply shows that excess of demand can arise in peace times and leads to prices so far out of proportion to the cost of production as to demand price fixing as a permanent remedy.

Price fixing should be adopted, in the third place, because it would prove practicable. A working plan could be devised. Although it is not the duty of the Affirmative to work out the details of a system of price fixing, in order to show the simplicity and reason of the measure, we would suggest the following, based on recognized American principles of legislation and administration. In the first place, we would have Congress pass the law that all prices must be reasonable. Congress would then delegate to commissions, established for that purpose, the power of enforcing this law, just as it has delegated these rights to the Interstate Commerce Commission, in the case of transportation rates. It is not to be supposed that these commissions would at once set to work and set a flat price on every commodity. They would not fix a price on any commodity until complaint was made

to them, or they found, investigating on their own initiative, that the price prevailing was unjustly high or low, and then the most they would do is to fix a maximum or a minimum or both, leaving supply and demand to regulate prices within these fixed limits. Thus price fixing would be an addition to, not a substitute for, the law of supply and demand, to be called into action where that law failed to result in just prices.

Such a plan of price fixing would greatly simplify its own field. The very existence of commissions with power to control prices would be a powerful restraining influence on those controlling the markets, and thus would reduce the number of cases, in which it would be necessary for the commissions to act, as has been true of the Interstate Commerce Commission.

Again, it would be no more difficult to fix a price schedule than a tariff schedule. The avowed purpose of a protective tariff is to raise the price of the commodity protected to levels which make possible its production at a reasonable profit. Moreover, a tariff schedule is an adjustment of conflicting interests and requires just as exact a knowledge of production costs as would a price schedule.

Price regulation would prove practicable because it has succeeded where tried. All charges made by public utilities are fixed by commissions or boards, but did you ever question the payment of five cents for a street-car fare on the ground that this rate was not determined by supply and demand? There is no problem of adjustment of prices more difficult than that of freight rates, and yet under commission control of our railroads we have developed the greatest transportation system in existence, providing the cheapest and most efficient land transportation in the world.

Price fixing has succeeded in interest rates. The several states now fix the maximum rate which may be charged for the use of money, regardless of supply and demand on the money market. The state has ruled out barbaric extortion here. It should extend this legislation to the field of commodity prices.

Price fixing has succeeded in commodity prices. Consider the case of steel. Last September, the Government reduced

the price of plate steel from $225 to $65 per ton, and of bar steel from $119 to $58 per ton. Walter S. Gifford of the Council of National Defense tells us that the saving to the public on steel alone thru government price fixing, will be over three billion dollars during the first year. And yet the chairman of the United States Steel Corporation admitted that the reduced prices were just and reasonable. Do the gentlemen of the opposition believe that the government did wrong in effecting this saving?

Price-fixing has succeeded with coal and sugar. Although it has not been used to greatly reduce the prices of these commodities, the fact that it has kept them from soaring to unheard of levels proves its success. To quote from an editorial in the Des Moines Register: "We need not doubt that if it were not for price control, sugar would be selling for 30c a pound, instead of 9c."

To summarize, we have found that there is a permanent need for price fixing, because all the conditions which create a present need are inherent in our economic system and will continue after the war, and that price fixing would prove practicable, because a workable plan can be devised, and it has succeded where tried.

THIRD AFFIRMATIVE

Ralph H. Clements, Coe

Ladies and Gentlemen: Let us consider, by a closer examination and analysis of the arguments as presented by the gentlemen from Wisconsin thus far this evening, just how materially these alleged objections affect the case of the Affirmative.

The first speaker for the Negative advanced the contention that there is no need for government regulation of prices because the conditions of war caused an abnormal fluctuation of supply and demand; that there has been a paradox of industry, a waste of war, and that the submarines have affected supply and demand. In reply to this objection we again point out, that the case of the Affirmative outlined in the two

preceding Coe speeches, recognizes this legitimate rise in prices due to the abnormal situation. But it is the excessive price, the sporadic profiteering, that we of the Affirmative maintain is an evil in our system and demands government regulation of prices as a remedy.

The remaining argument of the first Negative speaker is summed up in his statement that "there was no need for government regulation of prices in times immediately before the war, and therefore there is no permanent need for such a measure." To prove his point he cited the opinions of thirty economists, who, according to Hamilton's Economic Problems, in 1911 gave their opinion that the gold shortage was the primary cause of high prices. Again we call your attention to the fact, that the Affirmative agrees with these authorities that such a legitimate cause as the gold shortage may exist as the primary cause for high prices. But it is the illegitimate element above this gold shortage; it is the excessive price, not merely the high price that is the object of remedy this evening.

Thus we see that an analysis of the arguments presented by the first Negative speaker, when applied to the Affirmative case as presented, shows these objections to be without foundation. What were the contentions advanced by the second speaker? He opened the constructive argument by maintaining that the Affirmative basis for a need is fallacious because the Sherman Anti-Trust law is taking care of corners on the market, and the evils of speculation. Before closing the constructive argument for the Affirmative the present speaker will show that the Sherman act has absolutely failed to handle the situation. He points out that the old system of supply and demand is the best, since under it we have developed an industrial system without a peer. Again let me call your attention to the fact, Ladies and Gentlemen, that we are not advancing government regulation of prices as a substitute for the law of supply and demand, but as a supplement to that measure.

He points out that the "new system of government regulation has failed to stimulate production, and that therefore, even as a war measure, it has failed." The only evidence he has given on this argument, is a citation of the case of win-

ter wheat. We admit that the production of winter wheat has been less than other years, but why? In circular number 1903 of the U. S. Dept. of Agriculture, entitled, "Agricultural Production for 1918," and dated Feb. 19, 1918, page five, we read, "While the area of winter wheat sown in 1917 was the largest on record, the condition of the crop, as reported on December 1, was the lowest ever recorded, indicating a probable production of only 540,000,000 bushels. Whether the actual production will be greater or less than the estimate will depend upon conditions prevailing between now and the time of harvest." Thus we see that regulating the price of wheat has actually stimulated an increase in the acreage of wheat, but that it is the weather conditions that account for the actual lessened production.

Now contrast these arguments, the error in the theory of which we have just seen, with the arguments as presented by my colleagues of the Affirmative. The first speaker has proven that there is a need for government regulation of prices. In doing this he has pointed out that where the speculator, the hoarder, the commercial gambler, and the monopoly price fixer so juggle with the law of supply and demand as to raise prices to any level that they desire, there is need for regulation. That where the supply is so small and the demand so large the law of supply and demand cannot act quick enough to make reasonable prices, here also is a need. The second speaker has shown that not only is there is a present need for government regulation but that there is a permanent one, for these same two conditions cited by the first Affirmative speaker, are inherent in our industrial system, and demand regulation as a permanent remedy. He pointed out also, that government regulation is a practicable proposition, that a workable plan can be devised, and that it has proven successful where it has been tried in the United States.

In continuing the constructive argument for the Affirmative it shall be my purpose to prove that government regulation of prices is the logical solution to our present trust problem. In doing this I will show (1) that all other attempts at solving the trust evil have failed, and (2) that government regulation solves the problem by retaining all

the advantages of combination and concentration, and at the same time destroying all its disadvantages.

What have been some of the efforts toward solving the trust evil. The Negative have cited the Sherman Anti-trust law. It was more than 27 years ago that this law was enacted, and its purpose was to destroy the big combination by sheer wholesale extermination. For 21 years this statute lay dormant on the federal books. Finally in 1911 the whole energies of our government were directed toward a vigorous trial of this law, hoping for some straw that might stem the tide of unmolested combinations.

What was the result? Only one jail sentence has been imposed on conviction under the Sherman anti-trust law during all these years. Seager, the economist, on page 463 of his text book, says, "The Sherman Anti-trust law proceeds on the assumption that combination is contrary to public policy and attempts the impossible task of restoring the world to that stage of industrial development in which every producer was independent and a competitor of every other producer."

In 1915 another anti-trust scheme was enacted. The Trade Commission Act and the Clayton Act condemned unfair methods of competition as a means of bolstering up the useless Sherman law. These laws, while working in the right direction, without the clinching pressure of government regulation of prices, have had little or no effect in solving the problem. The second opposing speaker quoted Taussig of Harvard as one of the best authorities in the country on this question. Taussig says, "Combinations and monopoly are the inevitable result of the machine processes and of large scale production. Legislation cannot prevent monopoly."

Professor Ely well sums up current expert opinion when he says, "If there is any serious student of our economic life who believes that anything substantial has been gained by all the laws passed against trusts, by all the newspaper editorials which have thus far been penned, by all the sermons which have been preached against them, this authority has yet to be heard from. The writer does not hesitate to affirm it as his opinion that efforts along lines which have been followed in the past, will be equally fruitless in the future."

Having thus seen that all other attempts at solving the trust evil have failed, and that all attempts along similar lines will fail, let us consider how government regulation of prices solves the problem.

What is the evil in our trust problem today. What is it that we are working against. It is the fact that the trusts unmolestedly juggle the law of supply and demand so as to raise prices to any level which they desire.

What then are some of the virtues in the trust situation? They are the economies of combination, and large scale production, which in the case of trusts, Taussig says are "both real and substantial."

Why not then get at the evil in this problem by regulating the evil, and not trying to exterminate the virtue. Let's have all the efficiencies of combination and large scale production, and eliminate all the viciousness of its excessive price fixing.

And so, Ladies and Gentlemen, is it any wonder that the most eminent experts agree with us that government regulation of prices is the logical solution of the trust problem?

One economist says, "Large scale command of industry can be met only by large scale legislation. Greater powers than those of mere investigation and report are necessary, a commission with powers analogous to that of the Interstate Commerce Commission," and that, Ladies and Gentlemen, is exactly the plan of the Affirmative here tonight.

Seligman says, "If you give people complete freedom of action, they will take such advantage of the consumer as to render conditions unbearable. The clear way out of the difficulty is to fix prices by government fiat."

Taussig says, "It is obvious enough that control of profits and prices is the thing ultimately aimed at. Perhaps comparatively mild measures will suffice to prevent 'undue' profits and 'unreasonable' prices. But if the mere suppression of overt combination fails to achieve the desired end," Taussig says, "control of profits and prices must be resorted to!"

Ladies and Gentlemen, these statements represent the sentiment of foremost economists advocating government

regulation of prices in their textbooks in times of peace. This is a permanent evil. It demands a permanent remedy, and that remedy,—government regulation of prices.

FIRST AFFIRMATIVE REBUTTAL

Richard O. Roberts, Coe

Ladies and Gentlemen: Before continuing this discussion, let just see what are the main issues which have arisen thus far. These issues seem to be: first, is there a need for government price control; second, is such a policy practicable? The Gentlemen of the Negative would have us believe that there is no need for such a policy on the ground that only a few cases of extortion can be found under our present system. The Affirmative has already shown the extensive extortion which has been practiced in such representative commodities as cotton, eggs, steel and meats. But if time allowed, we might show how extortion has entered into the price of nearly every important commodity in our country. For example, the price of our chief food commodity, wheat, has always been set by speculation, and that it has been unjustly determined is evidenced by the fact that the price of wheat in 1909 was ten per cent more than in 1911, yet there was a bumper crop in 1909 and a comparatively poor crop in 1911. Furthermore, investigation has proved that fish mongers are constantly destroying vast quantities of fish in our western cities to enhance the price. Other investigations found that New York commission men destroyed 8,000,000 pounds of food in 125 days. Also the packers have held in storage from fifty to seventy-five per cent of the hides of the country for the past year, while the price of leather goods has more than doubled. Speaking of the present exorbitant prices, Representative Kelly says that the responsibility rests with the gambler and the grabber. He gives his opinion that the main reason for high prices is that between the man who produces the food and the man who consumes it stand these parasites, levying enormous toll for their own enrichment.

Further evidence of the activity of speculation is found in the fly leaf of a recent copy of the "Modern Merchant Grocery World." It contains this statement: "Consumers are being educated today by a variety of conditions to pay good prices for everything they buy. The merchant who does not take advantage of this had better drop out. Never again will he have such a chance." These facts make it evident that speculation is not only an important, but a very vital factor in the excessive prices of today.

Now the gentlemen of the Negative tell us that granted there is a present need for such a policy, this need will not be made permanent and will cease with the present war. Allow me to mention that the second Affirmative speaker devoted almost his entire constructive argument in showing the permanency of the need for price control. He showed how the factors of speculation and monopoly, which are responsible for excessively high prices, are inherent in our economic system, and will work injustice in the future just as they have done in the past and are doing at present. If the Gentlemen would have us believe that there is no permanent need for price control, let them show how these factors will cease to work the injustices to which we have referred. But we find more specific proof that price control should be permanent. It is suggested in the statements of such prominent authorities as Richard Spillane, Theo. H. Price, Frederick C. Howe, and Charles R. Van Hise. Theo. H. Price, writing in "Commerce and Finance," says, "Is it too much to hope that in the price fixing to which the war has compelled us to resort we shall have found a way to ennoble commerce by making it a vocation of service rather than of selfishness, and a profession in whose formulae the law will be scientifically determined by the cost of production intelligently ascertained." Richard Spillane, Assistant Editor of "Commerce and Finance," says, "There would seem to be need for government regulation of prices, not only with the thought of curing what is wrong in industrial prices of today, but with a full appreciation of the possibilities of after the war days." So we have proof that there is agitation and a definite need for government price control as a permanent measure.

Dealing with the second issue—that of practicability, let us consider the main objections of the Negative to our plan of regulation. Chief among the objections is that we are attempting the impossible feat of bucking the law of supply and demand by setting fixed prices on commodities. In this objection the Gentlemen have completely misinterpreted our position. We recognize the law of supply and demand and the competitive system as far as it will work; but we have shown that at times this law must be supplemented. It is the sporadic prices that we would do away with. By setting maximum and minimum prices on commodities where there is a public demand for regulation, we only aid the work of economic laws. Supply and demand will still control prices, but there is an upper and lower limit to which prices may go. We are not advocating an unnecessary and irrational policy, but a plan by which, in the words of Richard Spillane, "Big business can work with the government for the best interests of itself, the government, and all the people."

SECOND AFFIRMATIVE REBUTTAL

Edmund B. Shaw, Coe

Ladies and Gentlemen: As my colleague pointed out, in opening the rebuttal of the Affirmative, the debate tonight has resolved itself into two main issues: first, is there a need for price control; and, secondly, is price control practicable? My colleague has already discussed the first of these, and has shown that there is a very definite need for the measure. As a result of his conclusive proof on this point, the preceding speaker has been compelled to admit that there is a present need for price control, but the speaker denies that that need will continue after the war. Let us consider this assertion. In the first Affirmative speech, it was shown that certain economic conditions and practices demand price control as a remedy. The Gentleman who just spoke, admits that these conditions do constitute a present need. In the second Affirmative speech it was shown that all this

condition which constitutes a present need will continue after the war. The Gentlemen have not disputed that they will continue. Therefore, the case of the Affirmative, that there is a permanent need as well as a present need for price control, still stands.

Let us consider the second issue, the practicability of price control. The Gentlemen of the opposition in attempting to show the impracticability of the measure, have suggested a maze of difficulties which would be encountered in enforcing a plan of price fixing. Their purpose in doing this is evident. They have simply set up a straw-man, as it were, in the shape of an absurd plan of price control, and then have proceeded to knock this straw-man down. The plan of price control which we have proposed to-night is one which would fix maximum or minimum prices, or both, as the situation demands, leaving supply and demand to regulate prices within these limits. The objections made by the opposition to the practicability of the measure have all concerned themselves only with a plan of price control which would attempt to fix absolute flat prices for all staple commodities. Their arguments are irrelevant to the present discussion, and the Gentlemen must discuss our plan of price fixing, not an imaginary plan, if they wish to discover its merits.

The second speaker of the Negative has raised the objection that price fixing would prove detrimental and impracticable because it would destroy the monopoly, which is desirable because it leads to efficiency thru large scale production, and should not be destroyed. The third speaker of the Affirmative attempted to make it clear that we recognized the benefits of combinations and were not attempting to destroy them, but merely to take their dangerous weapon, power to maintain prices. My colleague has shown that foremost economists consider this the solution of the monopoly problem. The Gentleman spent some time explaining that President Van Hise of Wisconsin University has been asked to write a pamphlet on combinations, by the government. They say he is especially qualified to speak regarding monopolies. We agree that he is, and he says, p. 255 of his book, "Concentration and Control": "It is inevitable that

sooner or later the logic of events will demand that the rule of law be made that all cooperating corporations which control the market shall charge reasonable prices. If an unreasonable price be charged, the commission will have authority to fix maximum and minimum prices, as is required to make the price reasonable." In short, Van Hise is openly in favor of price control for monopolies. Nor is he alone in this opinion. Former Attorney-General Wickersham, after four years of unsuccessful attempts to handle monopolies, said: "There is no means of securing justice to the public except thru the government's asserting its right to step in and dictate prices, or at least to require that they shall not be raised above reasonable limits." Similarly, Henry R. Seager says: "I am quite prepared for the discovery that under a regime of free combination the giant producer will have such great advantage that competition will cease to exist, as it has so largely in the railroad industry. In this event I should feel constrained to advocate government regulation of prices."

These are but typical of the opinion of prominent authorities that price fixing is not only practical, but highly desirable, as well, and that it should be adopted as a permanent policy in the United States, where it is needed to protect the public against unjust prices.

THIRD AFFIRMATIVE REBUTTAL

Ralph H. Clements, Coe

Ladies and Gentlemen: My colleagues have already pointed out that the clash of argument peculiar to this debate this evening has caused the discussion to hinge on two main issues, "Is there a permanent need for government regulation?" and "Is such a measure practicable?"

But before proceeding to a final discussion of these issues, let us clear up first a few minor objections that have arisen to befog the issues. The Gentlemen ask us how we differentiate between high prices and excessive or exorbitant prices. They ask us to take a definite case and point out

how we could determine the difference between these two conditions. We answer the gentlemen of the Negative. Potatoes were selling in Washington, D. C., for $8.00 per bbl., onions $14 per hundred lbs., and eggs 43 cents per dozen. On March 1st, 1917, after a commission had been appointed to investigate these high prices, in three days time, potatoes were lowered in price to $6.50 per bbl., onions to $11.00 per hundred lbs. and eggs to 30c per doz. This is the kind of price that needs regulating, this is the *excessive* price and the *high* price contrasted. Take the case of steel. Was it hard to tell the difference between the excessive price and the high price when, after investigation it was found that three billion dollars worth of extortionate profits could be cut off, and a fair price would remain? And after the government had cut down this excessive price, the president of the United States Steel Corporation admitted that the resulting price was just. And yet the gentlemen of the Negative cry that profiteering is not going on, that there is no difference between the high price and the excessive price.

They state that our case has rested entirely on specific instances, that we have only taken such cases as the egg storage profiteering case, or the steel proposition to prove our contention for a need. You have heard them quote from Jos. E. Davies of the Federal Trade Commission, the man now running for senator on the loyalist ticket in Wisconsin. You have heard him cited as one of the greatest authorities on the question we are discussing. Jos. E. Davies, Ladies and Gentlemen, goes on record for the following, "As I see it, the principal evil is our failure to smash the exorbitant profits of the middle man!"

Thus we see that their query as to excessive prices and their objection as to specific instances is cleared up. Let us now conclude a discussion of the main issues. Their only objection to a need for government regulation now seems to be, that the Sherman anti-trust law will suffice to cure the evils of speculation pointed out by the Affirmative. They challenge our statement that only one jail sentence has been applied during all these years. They point out one fine of $18,000,000 under this law. Yes, fines have been levied, but as Senator Kenyon of Iowa says, "This class of lawbreakers

cares nothing for fines." You have heard them quote from Dr. Van Hise, president of Wisconsin University. Listen to what Van Hise says on page 39 of his book, "Conservation and Regulation": "Whether the prosecutions are few or many, are abandoned or continued, they have been utterly futile to prevent general co-operation to control the market and thus enhance prices of all essential commodities."

In fact we must agree with Richard Spillance, associate editor of Commerce and Finance, when he says, "There would seem to be need for government regulation not only with thought of curing what is wrong in industrial prices today, but with full appreciation of the possibilities of after-the-war days."

Thus we find that there is a permanent need for price regulation. Is it practicable? My colleagues have already answered this in the Affirmative. The second speaker has pointed out how a workable plan can be devised, and that it has proven successful where it has been tried in the United States. Why do not the Negative talk practicability in terms of the argument advanced by the Affirmative to-night? Why do they still maintain that it is not practicable because in the case of winter wheat, it decreased production? Must we again read to them from Circular No. 103 of the U. S. Department of Agriculture? They have stated in this debate "we take it that government statistics are usually reliable." We agree with them. Ladies and Gentlemen, we advocate government regulation of prices as a remedy for speculation, for hoarding, for monopoly price fixing, but need we inform the gentlemen from Wisconsin that we do not advocate regulation of prices as a weather bureau to control the amount of heat and frost necessary for a good crop of winter wheat!

Their other objection to the practicability was that in regard to coal. They claim price regulation has caused a lessening of coal production. We maintain that transportation and car shortage has caused this lessened production. From the Chicago Herald for December 17, we read, "Car shortage continues as the chief factor checking a maximum production of coal according to statistics made public today by the geological survey."

There *is* a permanent need for government regulation of prices. Government regulation *is* practicable. These have been the main issues in tonight's discussion. We believe they have been established by the Affirmative.

Negative Speeches in Debate Against Northwestern College

FIRST NEGATIVE

Julian E. Jackson, Coe

Ladies and Gentlemen: Before taking up any further discussion of the advisability of adopting a permanent policy of price regulation let us pause for a moment and consider the nature of the problem with which we are to deal tonight. Although the United States constitutes but five per cent of the world's population, we mine 46 per cent of the world's minerals, grow 80 per cent of the corn, raise 60 per cent of the hogs, and produce 25 per cent of the world's food supply. Thus with one-fourth of the world's food industry to experiment with, the Affirmative urge the adoption of a permanent policy of government price control.

This is no simple problem. The control of the price of farm products alone would involve the regulation of the price of 4,619,000,000 bushels of grain, 1,619,000,000 pounds of butter, 63,680,000 head of cattle, 1,519,000 dozen of eggs, and 5,313,000,000 gallons of milk. To justify any interference with this vast machinery of production composed of the hands of a hundred million people and spreading from the Atlantic to the Pacific, the Affirmative must show a distinct permanent need.

We would also remind the Affirmative that they must make this experiment under conditions where neither the business men nor the government itself has any precise knowledge concerning the business of the country. Mr. Edward N. Hurley, ex-chairman of the Federal Trade Commission, in speaking of his experiences on that Commission, stated, "I found, taking business the country over, that only ten per cent based selling price on actual cost figures, that

forty per cent estimated costs and prices, and that the remaining half only guessed at prices."

In order that the issues in this debate may be determined as early as possible, we would like to have the Affirmative answer these three questions. These questions are fundamental to a determination of the issues in the debate and demand a definite answer by the next speaker of the Affirmative.

1. Do you consider the general rise in prices during the last twenty-five years justifiable?

2. Would you advocate government control of the price of securities?

3. Should prices be high enough to secure adequate production?

Permanent price control by the government would be an unwarranted experiment in the first place because it has failed wherever tried. Authorities are agreed that price control has never succeeded in any country. Wm. Edgar, noted economist, says, "Price fixing by edict, both in an attempt to encourage production and to satisfy the consumer, has been universally tried and has universally failed." Senator Henry Cabot Lodge, in speaking before the Senate, stated, "Fixing prices is as old as the history of organized society. It has been attempted over and over again, and it has always and invariably failed." Herbert Hoover, our own national food administrator, says, "The total experience of Europe has demonstrated that many methods of price control * * * are a fallacy."

But let us go a little more into detail and take up the results of price fixing in some of the warring nations. Now in any consideration of the results achieved by a policy of price control in foreign nations we must take into account several factors which give it added chances of success which it would not have in our own United States. Let us first consider Germany. In Germany we find the most extensive system of price regulation that has ever been adopted. The first factor that should make it certain of success there is the smallness of area. Germany is only about the size of our state of Texas. Second is the concentration of industry. The third, the autocratic form of government, and

lastly, the patriotic spirit found in all the people during a great war. When we find then that price control has failed in Germany, the most autocratic nation on earth, under the highly organized conditions of war, we must stop and consider what would be the result if such a policy were adopted in this democratic nation as a permanent measure. Senator Reed quotes the following from the Current History Magazine, "The price of all food commodities was not regulated, but the system was fundamentally unsound, because if prices were low, goods were held back despite the threats of heavy penalties, while if prices were high goods went anywhere but where they were needed." In short the government did not or could not see that under existing conditions the law of supply and demand must prevail. Finally in December, 1916, Adolph von Batocki, the food dictator, publicly admitted that "the fixing of minimum prices has been a failure." Kellogg and Taylor in their book, "The Food Problem," in a discussion of price control in Germany, state, "In general * * * maximum prices to the consumer have been a failure. Evasion was easy and constantly practiced."

Another striking instance of the failure has been in France. In the American Cooperative Journal we read, "Government price fixing in France has not only utterly failed during the past year but it has greatly reduced the efficiency of both production and distribution." Mr. A. R. Decker, special correspondent of the Chicago Daily News, now in Paris, ascribes the present prevailing high prices in France, not alone to scarcity but to disturbed economic conditions. Not only in these countries but in practically every European nation price control has been tried and found to be a failure. In England prices have been fixed almost since the beginning of the war. In that time prices have risen almost 500 per cent, and evasions and difficulties have been frequent.

To come a little closer home, what has been the result of a limited amount of price fixing in our own United States? In fifty per cent of the cases, price control has raised prices, and in many instances it has increased profits. In the case of wheat, a price has been set which is satisfactory to neither the producer nor the consumer. Recently two bills have

been introduced into Congress by representatives of the Northwestern grain growing states, asking an increase in the price of wheat to $2.75 a bushel.

We may s ee the results of price fixing in the Federal regulation of coal prices. We must conclude with the Iowa Homestead that Federal regulation of coal prices has been a farce as far as benefiting the public is concerned. Regulation has been upward; in some cases coal is a 100 per cent higher than was voluntarily asked by the coal operators, * * * even immediately prior to the announcement of the government's prices.

Government regulation of prices will be an unwarranted experiment in the second place because there is no agitation for the adoption of a permanent policy. Now it is a familiar fact that in order to succeed a measure must have the approval of public sentiment behind it. With price control this is far from the case. A few years ago a debate on this question would have been unheard of. It is only recently that the question has come under public discussion. Economic conditions due to the war have caused a rapid rise in prices and some have turned to this radical political measure as a temporary remedy. But a search for authorities in any line who favor it as a permanent measure would be in vain. Representatives of the business world, political world and the economic world are all agreed that a permanent policy of price control is both unnecessary and unwise. It is a significant fact that in the recent debates in Congress over the adoption of the proposed measure not a single senator favored its adoption. Senator Ransdell expresses the opinion of most of his colleagues when he states, "The existence of war is the only reason or excuse for the proposed food control legislation. In peace times this would be both unnecessary and unwise." Economists voice the same opinions. Henry R. Seager of Columbia University says, "If this war should stop tomorrow, I think there would be such a strong reaction against price fixing that all the boards with price fixing power would be legislated out of existence in short order." G. F. Warren of Cornell University is author of the statement, "I believe that we will get enough of price fixing so that nobody will want it to be permanent." We

could go on and give statement after statement from such noted economists as Seligman, Howe, Ely, Schurman, Taussig, Anderson and Stevens, none of whom favor permanent price control. Even Charles R. Van Hise and Herbert Hoover, perhaps the greatest exponents of war time price regulation in this country, limit the need to war conditions only.

Perhaps we can gain some idea of the attitude of the business world if we examine the results of a questionnaire sent out by the United States Chamber of Commerce to 450 commercial organizations in the principal cities of this country. The report reads that the committee found that there was no agitation for permanent price regulation by the business men of this country. Thus we see that representatives of the commercial world, the economic world and the political world are equally vehement in their denunciation of permanent government price control.

In conclusion then, I have attempted to prove that a permanent policy of government price control would be an unwarranted experiment, first, because it has failed wherever tried, and second, because there is no agitation for its adoption. We of the Negative contend therefore that the United States should not adopt a permanent policy of price control.

SECOND NEGATIVE

Charles S. Weber, Coe

Ladies and Gentlemen: The speaker who has just left the floor has outlined a plan which, it is claimed, will prove practicable in setting prices. The Negative will meet this contention by pointing out several difficulties which will render the plan impracticable in actual operation. The Affirmative have erected their plan in the realm of theory; let us now place it in the realm of practice.

In the first place, the plan which they have outlined makes absolutely no provision for solving the difficulty of determining a fair price. To do this the Affirmative will be forced to do what has never before been accomplished; devise a

human yardstick by means of which changing economic conditions can be measured. Secretary of Agriculture Wilson points out the magnitude of this difficulty when he writes: "A full and satisfactory explanation of prevailing prices is not possible on the basis of existing knowledge. Where the food supply is located, who owns it, what may be the difficulty of securing it, whether the local market conditions are due to car shortage, whether there is artificial manipulation or control, no one can state with certainty." Mr. Hurley, formerly of the Federal Trade Commission, and a man who knows business conditions the country over, says that it would be as ridiculous to talk of commandeering the moon and fixing the cost of production to its inhabitants as to talk of commandeering business and fixing prices under existing statistics. And the Affirmative would calmly dismiss the entire problem by outlining a practicable plan in a few words!

The editor of the Price Current Magazine says, "Garfield's price fixing committee could only make a guess at a fair price," and we are all familiar with Dean Davenport's statement that the Chicago milk commission fixed its price solely upon the assumption that Chicago *must* have twelve cent milk. The coal commission spent three months trying to determine a fair price, but when they reached their conclusion, economic conditions over which they had no control had changed, and the price proved unfair and unsatisfactory. Under such conditions how will the Affirmative plan solve the difficulty of determining a fair price?

But, in the second place, the solution of this problem only gives rise to another problem for which the Affirmative plan again makes no provision; how would the gentlemen guarantee that this fair price would ever reach the consumer? The process of distribution is so complex that the price will be lost long before it reaches the public. A few illustrations will make this clear. At two dollars and twenty cents a bushel for wheat, flour costs $7.70 a barrel; yet it is being sold today for over $12 a barrel. The Food Administration promised us five cent bread, but somewhere between producer and consumer the price was lost, and we are still paying ten cents. Mr. Alfred McCann, the food expert, points

out the failure of price control when he says, "The quantity of meat available for domestic use and the price at which the consumer may obtain it,—the production of milk and the price at which the consumer may obtain it,—the production of milk and the price at which it is delivered to the consumer,—the price of stock feed, of agricultural and dairy apparatus, of farm labor,—these constitute issues which Hoover admits he cannot control. The Food Administration is stopped in law within that area of commerce between the producer and retailer. We can only use influence on both, and depend upon their patriotism." And how far will the Affirmative get, Gentlemen, with their permanent policy, when the war ceases and the element of patriotism and the dictatorial powers of the government are removed?

In addition the Affirmative plan has the disadvantage of encouraging fabrication, since, if the producer is dissatisfied with the profit allowed, the only way for him to increase this profit is by adulteration. When the government set the price on bituminous coal, it immediately had to set a price for bituminous and cannel coal, for the dissatisfied producers began to adulterate their product. The Affirmative have premised their case upon the assumption that business men are dishonest; that they will endeavor to secure the maximum of profit no matter what means they must utilize to secure it—what guarantee do our opponents give us that price control will alleviate this difficulty and assure the consumer of a fair product at a fair price?

The third difficulty which the Affirmative plan ignores is due to the fact that prices are relative and far reaching in their influence, regulation of a few articles ultimately meaning the regulation of all related articles.

Astronomers tell us that we could not stop a planet in its onward course without throwing the entire universe out of gear, and economists tell us that we cannot take one commodity and fix its value without upsetting other related commodities. As Senator Borah of Idaho states, "You cannot stop the business world and fix a price at a certain point and say that the prices beyond or below will fix themselves." The editor of the New York Tribune declares, "Price fixing will become a national issue because you cannot fix one price

and not all prices." In objecting to a change in the price of wheat, President Wilson said, "To increase the price of wheat above the present figure, or to agitate any increase of price, would dislocate all the present wage levels that have been established after much anxious discussion and would therefore create an industrial unrest which would be harmful to every industry in the country." The fixing of railroad rates has led to a demand for the fixing of the price of labor and railroad supplies. Steel manufacturers have been forced to ask the government to fix prices on all products entering into the manufacture of steel in order that the fixed price for steel may be stabilized. Price control ultimately means the regulation of wages by law, the creation of endless commissions, and the regulation of the price of all related commodities, including even the regulation of the price of substitutes for those commodities upon which a price has been set.

In conclusion, I have pointed out three difficulties for which the Affirmative plan as outlined by their second speaker, fails to provide, and in addition I have given three reasons why price regulation will prove impracticable in operation: first, the difficulty of determining a fair price; second, the difficulty of continuing that price to the consumer; and third, the endless regulation resulting from related prices. The burden of proof now rests upon the Affirmative to show how their plan will solve these difficulties.

THIRD NEGATIVE

Robert C. Armstrong, Coe

Ladies and Gentlemen: Before continuing the Negative case let us examine the main contentions of the opposition. They argue, first, that price control is necessary and to prove this they quote examples of unfair prices and profiteering. It is not surprising that thruout this country, especially during war times, the Affirmative are able to discover profiteers but these specific instances do not warrant the adoption of a policy of price control. We have grafters in

politics but that is not an argument for overthrowing our present political system. In like manner the fact that there are grafters in the business world does not warrant the overturning of our entire industrial system in order to attack those who are abusing their industrial privileges.

Moreover, let the Affirmative remember that we are discussing a *permanent* policy of price control. They have based their case on war conditions or on speculations as to high prices which may exist after the war. Both must be ruled out of consideration in tonight's debate. Present day high prices are an abnormal feature of an abnormal time and no more establish a need for price control than present conditions argue for a continuance of the food dictatorship or wheatless and meatless days after the war. Until the gentlemen are able to establish a broad basis of need for their scheme in *normal* conditions prior to the war they have failed to show that price control is necessary.

Price control is further unnecessary since in answer to our first question the Affirmative tell us that the rise in prices *prior to the war* has been justifiable. But prices during normal times are almost entirely fixed by economic factors with which the Affirmative have admitted their plan cannot deal. Hamilton on page 470 of his "Materials for Economics" gives the results of a poll taken of thirty leading authorities as to the causes of high prices during normal times. Statistics show that the factors brought forth by the Affirmative this evening as the cause of high prices are of practically negligible importance.

Moreover, while the Affirmative have had a great deal to say about war-time high prices they answer our third question by stating that "Prices should be high enough to secure adequate production." But Professor Seligman is authority for the statement that present day high prices are essential to the winning of the war since they alone will bring about the rapid production of the great supplies of war materials which are needed. Since therefore the high prices on which the Affirmative have premised their case are justifiable because essential to war-time production, it is evident that they establish no basis of need for price regulation. Having thus examined the evidence it is apparent that the first con-

tention of the opposition that price control is necessary, is fundamentally unsound and, by their own statements, untenable.

They argue, in the second place, that price control is practicable. It is significant that in tonight's debate the Affirmative have carefully avoided foreign experience, realizing that where it has been tried their plan gives unmistakable evidence of failure. Why discuss far fetched analogies of price control to the regulation of public utility rates when the identical measure that we are discussing has been already attempted in Germany, Switzerland, France, England and Italy. The total experience of these countries has proved the failure of price fixing measures.

If price control is practicable why has it been limited to only a handful of commodities here in our own country? If the Government with its present dictatorial powers is unable to make the Affirmative scheme successful how can we hope to make their measure more than a failure, when under normal conditions these dictatorial powers have been taken away and patriotic motives have ceased to bolster up the law? If price regulation as a *permanent* measure is practicable why is it almost unanimously opposed by the members of both houses of Congress, by the National Chamber of Commerce representing the business men of the country, by leading economists and even the food administrators themselves? Let the Gentlemen face these facts of experience which point unanswerably to the impracticability of their scheme.

But if the Affirmative prefers to side-step experience and discuss analogies we will meet them on these grounds. We have asked the opposition whether they believe government regulation of the price of securities practicable. They have answered this question in the Negative. But we would call your attention to the fact that the regulation of the price of securities is more analogous to the question under discussion this evening than is public utility rate regulation since securities are like general commodity prices in that they are constantly fluctuating under changing economic conditions while railroad rates are relatively stable. Since therefore the Gentlemen have been forced to admit

that the government regulation of the price of securities would be impracticable and since this analogy is closer to the problem under discussion than that proposed by the Affirmative, it is evident that even in this realm of theory and analogy in which they have chosen to confine themselves price control is impracticable.

Having thus analyzed the first two main contentions of the opposition that price control is necessary and practicable and found them fundamentally unsound, let us continue with the Negative case.

Price control is economically unsound because it would demoralize our systems of production and distribution. First, let us consider the demoralizing effect of price control on production. According to statistics in the Commercial and Financial Chronicle ninety percent of the business enterprizes organized in this country fail. It is therefore evident that the Affirmative scheme to lower prices and profits will mean that thousands of the average and less successful concerns will be forced out of business. In those cases where producers are not actually forced out of business price control will cause them to turn their energies toward the production of unregulated and less essential commodities. Finally the Affirmative scheme demoralizes production because it destroys the confidence of the producer.

Experience has demonstrated these disastrous effects of price control on production. When Great Britain attempted to regulate the price of milk thousands of dairy cattle were slaughtered and a milk famine ensued from which the country has not recovered. The same result followed in Germany. In Switzerland price control forced the closing of many meat establishments and thus instead of giving the consumer low-priced meat made meat almost unobtainable. It is virtually true that had such a policy been applied to all foodstuffs the people of Switzerland with their theoretical low prices would have been brought fact to face with starvation.

In our own country Senator Sherman of Illinois voices the sentiment of leading legislators and economists when he says, "The coal shortage is directly traceable to the slackened production resulting from price control on coal." Our

slogan is "Food Will Win the War," and yet by our price control scheme with reference to the most essential food commodity we have created a situation in which government forecasts point to a smaller crop in 1918 than in 1914 before we were engaged in war. That farmers instead of raising wheat are turning their attention to other unregulated and less essential commodities is shown by the fact that while there will be less wheat there will be twice as much winter rye this year as there was in 1914. Prof. Warren of the Agricultural Department of Cornell University states that price control may be held directly responsible for a wheat shortage so critical that it is likely to become a wheat famine.

Thus, because it drives producers from the field, because it turns the energies of those who remain into the production of less essential commodities and because it destroys the confidence of the producer price control inevitably leads to a breakdown of the entire productive system.

In the realm of distribution price control means a similar demoralization. As a direct result of the Affirmative scheme Chicago was for three weeks on the verge of a milk famine. The Oak Park infirmary with 4000 patients could obtain only a fraction of their normal supply and in Gary the famine was so acute that even the hospitals were without milk. Dean Davenport of the University of Illinois in resigning from the Milk Commission showed that many distributing companies, among them one of the largest in the country, had already been forced out of business. With reference to wheat the "Price-Current Grain Reporter" declares, "the market is utterly disorganized. Price control has created the condition in which the country now finds itself with mills without wheat, elevators empty while the wheat is held on the farms in what condition no one knows or is being fed there to live stock."

Price regulation further demoralizes distribution because it leads to conditions of extreme shortage or over-supply. Experience in Italy, Switzerland and Germany has proved that when prices were fixed low the farmers refused to sell and thus conditions of extreme shortage arose, while if prices were fixed at a high level the market was glutted because farmers and distributors could not expect better

prices by disposing of their produce in the normal gradual way. Thus by driving distributors from the field, by destroying the stability of the market and by causing a constant shortage or over-supply of commodities, price control throws the entire distributing system out of gear.

This demoralization of production and distribution is the inevitable result of attempting a political solution of an economic problem. Economic law is not repealed by any statute or the dictates of any price fixing board and when interfered with it merely operates to produce such a breakdown of production and distribution as we have just pointed out. This, in itself, will inevitably lead to higher and still higher prices in spite of all the price control schemes which the Gentlemen of the opposition may invent. Moreover, the Affirmative's price theories go to smash and price regulations are worse than useless when, thru the demoralization of these economic factors the very commodities regulated have been driven from the market and thus put beyond the consumer's reach. In the words of William Edgar, the noted economist, "The more the laws of supply and demand are violated by arbitrary and dogmatic interference the greater the food shortage and the higher prices will go."

An analysis of the price situation shows that if during normal times, in a small portion of the field, excessive prices and profits should exist that these abnormal conditions are the direct result of an artificial control of the supply of commodities. Such artificial control might be brought about by unfair hoarding, speculation and monopoly. Hence it is evident that if excessive prices should exist in normal times any real solution of the problem must, (1) Strike directly at this artificial control of supply and (2) It must avoid the pitfalls and disastrous results of price regulation. Therefore to meet these requirements we of the Negative might suggest the following plan:

(1) The making permanent thru a commission of the present powers of the Food Administration to prohibit illegitimate hoarding and speculation.

(2) The elimination of excessive monopoly prices thru the powers granted to the Federal Trade Commission enabling it to abolish unfair methods of competition. It is

unnecessary for us to point out that monopolies are able to exact excessive prices only because they are able to drive out all competitors, not by permanently underselling them, for this would be fatal to excessive prices but by unfair and barbarous methods of competition. Professor Wm. H. S. Stevens, formerly of Columbia University and more recently of the Department of Trusts and Combinations of the Wharton School, states that the elimination of unfair methods of competition strikes at the root of the monopoly price evil. Senator Sutherland voices the sentiments of leading legislators and economists when he says: "If wisely and equitably handled the Federal Trade Commission thru the abolition of unfair competition offers the solution to the monopoly problem and hence to unfair monopoly prices."

FIRST NEGATIVE REBUTTAL

Julian E. Jackson, Coe

Ladies and Gentlemen: In attempting to establish their contention that there is a need for price control, the Affirmative have told us that under certain conditions the law of supply and demand breaks down. Let us take up this argument and examine it. In the first place we must remember that this is a war argument only, for in normal times the law of supply and demand has always given the closest approximation to justice that it is possible to secure. We must also take into account that the supposed failure of the law of supply and demand is really not a failure but is merely the evidence of the law attempting to adjust itself to varying conditions. When a man is accused of a crime and taken before a law court he is not immediately punished for his deeds. Some time elapses between the accusal and the punishment. Because the punishment has not followed immediately we cannot say that criminal law has failed in its operation. In the same way the law of supply and demand may take some time to adjust itself to varying conditions. Furthermore, it has been found that any interference with the law during this time of adjustment has created worse conditions than it

sought to remedy. In many foreign countries, experience has shown this to be an unwise policy. On the other hand, it has been found that it is impossible to determine just when conditions demand interference; just when some outside force should step in to interfere. Thus we have attempted to show that the supposed failure in the law of supply and demand is not a real failure, that the law gives a close approximation to justice and that any outside interference produces worse conditions than it sought to remedy.

And now in direct answer to the Affirmative's contention that there is a need for permanent price control, we wish to present the results of inquiries we have made among the leading authorities of this country. We find that the men who are in direct touch with the business affairs of this country regard such a policy as both unnecessary and unwise. We have taken a poll of the United States Senate, and while all have not answered our inquiries, we have statements from such a large number of senators that we can judge of the attitude of the lawmakers of our country. We have statements from six of the leading members of the Committee on Commerce, which is most vitally connected with the business interests of the nation. Senator Knute Nelson of Minnesota, a member of this committee, says, "Outside of Socialists and other radicals of that class, I do not believe the people as a rule desire the continuance of price regulation." Senator Lawrence Y. Sherman of Illinois, in a personal letter states, "The general regulation of prices as a permanent government policy is most undesirable." Senator Kenyon of Iowa says, "If we did not believe that our nation was in a grave situation we would not for one moment think of legislation of this character." Let us turn to the field of economists. Prof. B. M. Anderson, head of the economics department of Harvard University, states, "I have found no one who is enough satisfied with the results so far reached or likely to be reached, to be willing to advocate it." Federal food administrators voice the same opinions. J. P. Cotton, meat manager under the Hoover food administration, says, "I assume no one is speaking of permanent price control but simply as a war measure." We could go on and give statement after statement from prominent authorities who hold

the same opinions. Here is the list from whom we have actual positive statements: Senator Hicks, Senator Hastings, Senator Ransdell, Representative Weeks, Senator Sutherland, Senator Wadsworth, Senator Reed and such noted economists as Seligman, Howe, Ely, Schurman, Taussig and Stevens. Surely a measure cannot succeed in this country when it is proclaimed a failure by all the prominent authorities, and is supported by none. Finally in order to determine without doubt the attitude of the economists of the country on this question, we wrote to Theodore H. Price, editor of "Commerce and Finance" and one of the leading economists of the nation, asking if he knew of any authority in this country who favored a permanent policy of government price regulation. He replied, "I know of no one who advocates such a measure, furthermore it is inconceivable that any one should advocate it."

In conclusion then, we have taken up the first contention of the Affirmative, namely that there is a need for permanent price control, and have attempted to show that it is unsound. We have pointed out that the supposed failure under certain conditions of the law of supply and demand is not a failure in reality, and that under any conditions, this economic law gives the closest approximation to justice that it is possible to secure. We have pointed out that there is no agitation for the adoption of a permanent measure, and moreover that leading authorities of this country are actually opposed to its adoption, considering it both unnecessary and unwise. We contend then that there is not a need for permanent price regulation, and that such a policy should not be adopted by the United States.

SECOND NEGATIVE REBUTTAL

Charles S. Weber, Coe

Ladies and Gentlemen: My colleague has already showed that price control is an abnormal feature of an abnormal time; he has pointed out its failure in actual experience, and he has showed, by the testimony of numerous authorities,

that the first issue laid down by the Affirmative, that price control is permanently necessary, is without foundation. We will now proceed to the second issue; whether price control is practicable.

Briefly summarized, the Affirmative argument is this: a maximum and minimum plan of price fixing will be practicable, because the government has proved its ability to control prices in the case of the Interstate Commerce Commission.

But is this plan practicable? Mr. Adolph Von Batocki, food dictator of Germany, has publicly admitted its failure in his country. Mr. Harry Hazzlitt, writing in Commerce and Finance, declares that maximum prices absolutely fail to provide for renewals, and he goes on to show that this scheme has proved a total failure in England. Mr. Herbert Hoover declares that the total experience of Europe has demonstrated that maximum and minimum prices are a fallacy and that but one method of price fixing remains, a fixed specified price for every stage of a given commodity. Thus the Affirmative stand for a plan which has proved to be a total failure—a plan which our government has rejected.

The Affirmative has rested the success of their case upon an analogy to the Interstate Commerce Commission. We hardly need call your attention to the fact that it seems absurd for them to base their case upon an analogy when they have so much actual experience from which to draw their inductions. The reason the Gentlemen have avoided experience is because of its absolute testimony in regard to the failure of the scheme which they uphold. Let them come out of the realm of theory and meet us in the realm of experince.

But does the analogy hold? The Affirmative forget that while supply and demand remain practically stable upon a railroad, the same condition is not true in regard to commodities. You can fix the price of railway rates and they will remain stable for years, but the price of butter, eggs, wheat and other commodities fluctuates from week to week and even from day to day. Furthermore, our opponents argue for maximum and minimum prices, and then base their case upon an analogy in which not maximum and minimum but fixed prices are set.

Take another case to prove the same point. England, France, Italy, Switzerland and Germany all set railway rates; yet not one of them—not even autocratic Germany—has been able to successfully regulate prices. If there be any truth in the analogy, then, it is this: that even if a government can set railway rates, it is no proof that it can set prices.

In the last place, the analogy itself is not sound. The Interstate Commerce Commission is not the success which the Affirmative would have us believe it to be. Government interference cut the surplus of the Pennsylvania Railroad from twenty to seven millions, and left it unable to meet the present crisis. A few months before the railways were taken over by the government, they petitioned the Interstate Commerce Commission for a fifteen per cent freight increase. It was denied. Then the government took over the railroads, and its first reports showed that on the combined railways of the United States there was a loss of 3.3 per cent. The Interstate Commerce Commission had been wrong. A fifteen per cent increase was immediately granted. We cite this in order to reiterate and reinforce our claim that the human mind cannot control or measure changing economic conditions, and that a price fixing board is unable to solve the tremendous difficulties involved in setting fair prices.

In conclusion, I have attempted to show that the Affirmative is advocating a plan which has failed in experience, that the analogy which they use is an evasion of the issue, that this analogy does not hold, and that it is unsound. Having destroyed the foundation of our opponent's case, we now deny their contention that price control is practicable.

THIRD NEGATIVE REBUTTAL

Robert C. Armstrong, Coe

Ladies and Gentlemen: The Negative has already dealt with two of the three main issues that have arisen in the course of tonight's debate and has shown that price control is (1) unnecessary and (2) impracticable. The outstanding question which now remains is "Will price control solve the

problems of hoarding, speculation and monopoly?" Before dealing with this last issue, however, let us examine a contention of the opposition which thru their continued emphasis has arisen to befog the real issues in tonight's debate. The Affirmative have told us repeatedly of the success of their scheme in reducing the price of steel, sugar and coal. With reference to steel the only reduction which can be claimed is from the highest price which existed on an abnormally excited market immediately after the declaration of war by this country. This abnormally high price on steel lasted for but a short time and is worthless as a basis of comparison.

Statistics show that instead of lowering the prevailing price on steel the board fixed prices of $2.90 and $3.20 on steel bars and ship plates which the steel makers were at the time selling on the open market at $2.50 and $2.90. Thus, when leaving out of consideration temporary abnormal conditions which prove nothing as a basis for price comparison, the scheme of the Affirmative instead of reducing the price of steel, as they have claimed thruout tonight's debate, resulted in an actual increase in steel. No wonder the steel magnates "testified that they were well satisfied with the decision."

In the case of sugar, Senator Lodge in the Congressional Record, Vol. 56, page 2948, introduced evidence before the Senate showing that the price fixed on sugar, while a slight reduction from the top of the market price existing last August, the month in which sugar prices reach their highest level, is higher by a number of points than the price which would prevail today had not the government price manipulators interfered. We have already introduced evidence to show that the recent coal famine is directly traceable to price fixing on fuel. When we consider the financial losses and suffering entailed by this almost unprecedented national catastrophe any reduction which boards may have made is of little value. Thus when examining the real facts in the case with reference to steel, sugar and coal we find damaging evidence against the price control scheme.

Let us now deal with the last main issue in tonight's debate: "Will price control solve the problems of hoarding, speculation and monopoly?" Instead of solving, price con-

trol aggravates the hoarding evil. In Italy, as a direct result of price-fixing, essential food commodities were driven from the market to such an extent that it was impossible for the civilian population and even the army to obtain adequate supplies. Such serious hoarding conditions were created in England after the fixing of meat prices that the government was compelled to institute a wholesale confiscation of livestock. Price regulation so fosters hoarding that it has become a slogan in England: "As soon as the Administrator touches anything it disappears" (from the market). The February issue of the Price-Current Grain Reporter, in commenting on the serious wheat situation resulting from price control, declares that, "The grain is being held on the farms, in what condition no one knows, while the elevators and mills of the country are empty." Thus instead of solving the problem, the Affirmative plan aggravates and creates hoarding conditions of the most dangerous sort.

As far as speculation is concerned, we may dismiss it with the recent statement of the Food Administration in which they declared that the Administration now has within its grasp the powers which enable it to effectively prohibit illegitimate speculation. Further legislation is therefore unnecessary.

Finally, where illegitimate monopolies may exist, which have gained control of the market, not thru efficiency, but thru unfair methods of competition, we of the Negative believe that direct steps should be taken for the elimination of such monopolies rather than to allow them to exist and then attempt to "regulate" the evil. Monopolies of this kind are inherently dangerous to the public welfare and should be destroyed, not regulated as the Affirmative propose. The Affirmative scheme fails because it cannot remove the cause; our plan strikes at the root of the problem, by ruling out unfair methods of competition and thus destroying the illegitimate monopoly.

But we would ask the gentlemen of the Affirmative, "How can you solve the monopoly problem as long as the monopoly controls the supply?" You may fix the price of gasoline at ten cents per gallon but if the Standard Oil Company does not choose to sell your regulations are worse than useless,

Great Britain attempted to lower the price of monopoly controlled meat products but the trusts refused to sell in adequate quantities until the government was forced to yield and raise the price to the former level. Again we ask the Affirmative, "How can you solve the monopoly problem as long as the monopoly controls the supply?"

Not only does price control fail to solve the monopoly problem but it legalizes and intrenches combinations with all their attendant evils. In the case of public utilities, when once we start to regulate rates we find it necessary to create an absolute monopoly by granting a franchise which excludes all competition. Regulation of rates and prices has meant the entrenchment of the most dangerous monopolies. Stevens in his book "Civilized Commercialism" declares that "Fixing prices really means legalizing the monopoly." President Van Hise, who has been quoted so often by the Affirmative, states that "Price regulation will promote the so-called money trust by fostering combinations of capital."

The New York Central Railroad with all its ramifications is a striking example of great combinations of capital fostered by just measures of regulation. The latest report of the Interstate Commerce Commission shows that the New York Central Railroad, as soon as rate regulation was begun, in order to protect itself, began a policy looking toward the control of everything that entered into the business. They proceeded to buy up the Pennsylvania coal mines, copper mines in the West, iron mines, forests, smelters, steel mills and car foundries. Continuing this program as their strength increased they took over the New York City Street Railways and much of the harbor and coastwise transportation, until now in most of these fields this single corporation has almost unlimited monopoly powers. Thus price control intrenches the monopoly with its power to tyrannize labor, to destroy the small competitor, to browbeat the inventor and ultimately to force higher prices.

The gentlemen tell us that the Sherman Anti-trust law has failed, but for the same reason their scheme will also fail since it attempts to regulate without striking at unfair methods of competition which we have shown lie at the very root of the monopoly problem. Our plan, thru eliminating

unfair methods of competition, provides the foundation which will make the Sherman law successful.

In conclusion let us review the Negative case with reference to the three issues which have developed in the course of tonight's debate. We have shown that price control is an unwarranted experiment, having failed in foreign countries where all conditions are favorable; in this country, where all conditions are opposed, its failure would be inevitable. It has not succeeded here even when bolstered up by the dictatorial power and patriotic factors of war, hence with these powers removed its failure in normal times is certain. There is no agitation for price control. Leading economists, the business men of the country as represented by the United States Chamber of Commerce and even the Food Administrators themselves are opposed to such a scheme as a permanent measure. Finally a pool of the United States Senate and House shows that permanent price control is considered by these representatives of the American people as not only unnecessary but highly undesirable. Thus we have dealt with the first issue and have shown that price control is unwarranted.

We have shown that price control is impractical because of the impossibility of fixing a fair price, because of the difficulties involved in fixing prices in every step from production to final consumer because, prices being relative, such a scheme would mean endless regulation. The Negative has shown that price regulation is economically unsound, because it would demoralize our systems of production and distribution and this in itself inevitably leading to higher prices and the ultimate collapse of the price control scheme. With these fundamental issues the opposition have failed to deal.

Finally, if during normal times profiteering should exist, the plan of direct legislation against hoarding and speculation strikes at the root of the problem. On the one hand we have price control, which actually aggravates the hoarding evil, overturns the entire economic system to attack a few hoarders and speculators while on the other hand we have the Negative plan which attacks only those who are abusing their industrial privileges, allows legitimate speculation to go on and retains our present sound economic sys-

tem. With reference to monopoly, price fixing legalizes and entrenches such combinations with all their evils and powers to do evil outside of the field in which they are regulated while our plan attacks unfair competition, the weapon by which the monopoly exacts excessive prices, takes this weapon away and makes further regulation unnecessary.

Price control is unwarranted; it is impracticable and economically unsound; it fails to deal with the problems of the plan of the Negative strikes at the root of these evils. hoarding speculation and monopoly while on the other hand

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CHAPTER III

LEAGUE OF NATIONS TO ENFORCE PEACE

YALE UNIVERSITY

versus

HARVARD UNIVERSITY

RESOLVED: *That after the present war the United States should so far depart from her traditional policies as to participate in the organization of a league of powers to enforce peace.*

This is a stenographic report of the debate between an Affirmative team representing Yale University and a Negative team representing Harvard University, held at Cambridge, March 23, 1917, the twenty-third annual debate to be held between the two Universities. The decision was in favor of the Negative. The briefs and bibliography accompanying this debate were prepared by the editor of this volume.

BRIEF

LEAGUE OF NATIONS TO ENFORCE PEACE

Affirmative

Introduction:

A. Men realize the uselessness of war, yet all efforts to prevent war or to lessen its possibility have so far failed.

B. Some form of world federation is necessary if lasting peace is to be secured.

C. A League of Powers to Enforce Peace is proposed as set forth in the four proposals of the American League to Enforce Peace:

1. All justiciable questions arising between nations entering the League shall, subject to the limitations of existing treaties, be submitted to a judicial tribunal for hearing and judgment.
2. All other questions arising between the signatories and not settled by negotiation, shall be submitted to a council of conciliation.
3. The signatory powers shall jointly use forthwith both their economic and military forces against any one of their number that goes to war, or commits acts of hostility, against another of the signatories before any question arising shall be submitted as provided in the foregoing.
4. Conferences between the signatory powers shall be held from time to time to formulate and codify rules of international law.

The United States should participate in such a world league, because

I. We are a part of the great world community.
   A. The interests of all the nations are our interests.
   B. We can no longer remain isolated politically.

II. Membership in such a league will be greatly to our advantage.
   A. We can secure more effective recognition of the rules of international law which we have supported.
      1. This will safeguard our commerce.
   B. Only in this manner can we secure safety and security.

III. We are essential to the success of such a league.
   A. This is recognized in Europe by both the Central and the Allied powers.
   B. The United States is needed because it is a great liberal democratic power.

IV. We have a moral duty and responsibility to fulfill by going into this league.
   A. We are equipped to do it by our past history, temper as a people and political experience.
   B. By entering the league we may continue to lead in the experiments of democracy and freedom.

V. This league will help to reduce the possibility of war by providing for delay and a hearing.
   A. It would doubtless prevent wars that arise from trivial and immediate causes.

VI. The objections that have been brought forward against this plan are not valid.
   A. Membership in the league will not alter our relations with Latin America as established by the Monroe doctrine.
   B. It is not true that our partnership in such a league would involve us in wars in which we have no interest.
      1. Every dispute is bound to affect us in one way or another.
   C. Our traditional foreign policies would only be nominally departed from by our entrance into such a league.
      1. The league pledges us no further than we are already pledged by our treaties.

NEGATIVE

I. The league of nations to enforce peace is not practical and would not be successful.
   A. It would prove especially detrimental to the interests of the United States.
   B. It is at best a paper alliance to be broken at will.
   C. The machinery devised for the league is so defective that our participation in it could not but prove disastrous to us.

II. The United States does not need the league for its own defense.
   A. We are free from the dangers of invasion.
   B. Our thirty-one arbitration treaties give us all the benefits of the plan without its dangers.
   C. This league might easily prove detrimental to us if other nations do not keep their agreements better than they have done in the past.

III. This league to enforce peace would make increase the possibility of war instead of preventing it.
   A. It fails to remove any of the fundamental causes of war.

IV. This league would place heavy burdens on the United States.
   A. We should have to maintain a large standing army.
   B. The use of economic pressure against recalcitrant nations would only rebound to our disadvantage.
      1. We should suffer as much as the threatened country.
      2. Military pressure could not be applied.

V. The plan would result in one of the worst tyrannies the world has ever seen.
   A. Kindred nations would be arrayed against each other.

VI. The plan is deficient in all necessary machinery.

VII. It is undesirable for other reasons.
   A. It would enforce the present status quo on the world.
   B. The alliance winning the war would dominate the league.
   C. Subject nationalities would have no opportunities.

LEAGUE OF NATIONS TO ENFORCE PEACE

YALE UNIVERSITY

versus

HARVARD UNIVERSITY

FIRST AFFIRMATIVE

John Martin Vorys, Yale

Mr. Chairman; Ladies and Gentlemen: The world has been crystallizing into conviction an idea that has been growing up ever since men became men—the idea that killing people is a poor way to carry on an argument. For a long time men rather enjoyed war. It was carried on as a recreation from the regular business of life. But now, with the progress of civilization, every part of the world must enter to carry on a war; the business of civilization and progress must be stopped to carry it on; and men are realizing that it is not worth while. Yet war goes on—impersonally, implacably, mercilessly, recurring with inevitable regularity, robbing the hearth and the haven; gradually drawing the world into the ghastly maelstrom across the water, so that even we in America may at any time be drawn into that bloody vortex. And so we have the old conviction anew, that men must be rid of this senseless idea of killing one another—the idea that, as Joseph Choate says, "we must make peace in reality a normal condition of a civilized nation."

So far the case has seemed hopeless. Yet, in this trying hour, men are coming to realize that there is a new effort to be made for world peace. Men are seeing that since time immemorial the inevitable tendency of government has been to concentrate

into larger units; into families, into successive federations of families, such as tribes and clans, and finally into nations. And always peace has been made and kept, when made or kept at all, by the superior power of superior numbers, acting together for the common good—each man having the interests of all at his heart.

Our own forefathers could not tolerate the idea of remaining sovereign states; each had the development of their common interests at heart; and with the progress of invention and civilization, there had arisen the belief that drew them together—the belief that they must act together, politically, in a common government.

Now men are gathered into nations, and again we have the same old question to face. Is the nation the limit of federation? Is no further federation possible? And again we begin to realize that we are compelled—as Secretary Newton Baker says, "Whether it is good business or plain ordinary wholesale business, we are compelled to take a planetary view of the world."

Even America, who has long thought that she was isolated, finds herself a world power bound with the world economically—by her national stock exchanges, by her international credit based on international gold. She is bound to every foreign land by the immigrants and travelers, by the ideas exchanged throughout the world; she is connected with all other countries by cheap and rapid transportation, by cables, telegraphs, books and newspapers. Politically the United States extends from the Arctic on the north to the Carribean on the south; from the Atlantic on the east westward to the very coasts of Asia. Her steamers connect her with every port in the world; her destinies are bound with those of the entire globe.

And America, because of this, now faces three alternatives: the present system of competitive nations and nationalities; the domination of a single state as a world power, or some sort of world federation into which she must enter.

We can see how the present system of alliances, with its loans and concessions, and the secret diplomacy practiced by the European countries, has worked out. We can see the time and forces of each nation expended in building up that Frankenstein of armaments which annihilates its creators, as it is doing at

present, in soulless, senseless war. And the very idea of a World Empire such as Germany planned, is absolutely unthinkable to the world.

One step remains, then: the union of all nations to keep peace between all nations—just as it has been kept within nations, when men have cooperated. There must be some sort of world federation or international government.

This idea of peace through federation has been stirring the whole world. Out of the discussion, far rising, in which fanatics and idealists have arrived at all sorts of conclusions and theories, a group of fair-minded patriotic statesmen here in our own country have evolved a plan which is practicable for a world peace federation. They bear two things in mind: their ideal of peace, and the background of public affairs and public opinion. They have evolved a proposal which is a step forward, and no wild Utopian scheme. They simply take those measures which have been used in the past to ensure peace, but which were hampered because they were disorganized; and they have coordinated them into an organization which will have the sanction of the authority of the world.

You see the provisions of this plan on the program before you. The first, the second, and the fourth of these provisions propose an arbitration court, to which all questions are to be submitted; a council of conciliation for questions which may not be arbitrated; and international conferences to be held from time to time to determine and codify the rules of international law. These three proposals are simply the existing means of arranging international disputes.

We see then that here we are building on the solid foundation of precedent and experience. The *third* article proposes to *force* the nations of the world to come to court with their disputes. The executive committee of the American League to Enforce Peace authorizes the following interpretation of this article:

"The signatory powers shall jointly employ military force and economic pressure against any one of their number that goes to war, or commits an act of hostility against another of the signatories before any question or dispute has been submitted to the League for hearing."

We see that the advantage of this article which stands out above all others is that of enforcing delay. Your own President

Lowell of Harvard has said of this delay that it would give a chance for public opinion, so that the controversy could be discussed all over the countries, and throughout the world.

The United States has shown herself always willing to interfere in the interests of humanity, and exert force—as in the case of the Boxer rebellion in China in 1901, when we sent troops to China to quell the rebellion—or in the case of Cuba in 1898. The United States has endorsed the principle of delay before war in thirty-three arbitration treaties which we have signed with the nations of the world. These treaties provide that every question shall be thoroughly investigated for at least a year by a court of arbitration before the United States goes to war. Do you suppose that the nations of the world, who are now fighting over the question of an Austrian princeling, more or less, would be fighting now if they had gone through this process of delaying a year before fighting?

We know that the world wants peace; and we see that the federation of the world promises that peace. We know that the world is ready for that world federation, the United States included. We have before us a proposal for that federation which suggests no wild ideas, but simply conveys the four elements which are the necessary minimum of any world government. Let us take part in the formation of this government, and bring peace to the world.

FIRST NEGATIVE

Abe Robert Ginsburgh, Harvard

Mr. Chairman: Ladies and Gentlemen: We of the Negative are just as anxious to maintain peace in this world as the Gentlemen from New Haven. Our attitude toward war is exactly theirs. Only we are willing to state it in terser and more explicit terms. Our attitude toward war is the attitude of General Sherman. But the question for our consideration is, not, shall we abolish war? It is: will the League to Enforce Peace minimize the possibilities of such catastrophes as the present European war?

It is necessary at the outset to point out that the Gentlemen from Yale have given us a League to Enforce Peace with no machinery to carry out its four provisions and put it into operation. They have given their League no executive; they have attempted to provide for a council in Article Four—a council which consists of a series of conferences to be held to codify international law. Since there is to be this council, we must expect the Gentlemen from Yale to tell us what the basis of a decision in that council will be. Will decisions be made by vote of the majority, or will they have to be unanimous?

The Gentlemen must bear in mind the voting at the Hague conference in 1907. Of all the proposals suggested in that year at the Hague, not one has ever been binding, merely because they had to be unanimously ratified, and some of the nations refused to ratify them. Now this is not a mere matter of detail. Any such question as this may involve us in a world war under this League to Enforce Peace.

We of the Negative this evening intend to uphold the traditional policy and the present peace treaties of the United States. We believe that the League to Enforce Peace will never maintain peace in this world. We believe that the League to Enforce Peace will prove especially detrimental to the interests of the United States. We believe that it is at best but a paper alliance, to be broken at the whim and caprice of any of its members. We object to the League to Enforce Peace on the ground that the machinery devised for the League will be so defective that our participation in its organization will spell international shipwreck for the United States. And beyond this, we see in the League to Enforce Peace the establishment of a despotism such as the world has not witnessed for hundreds of years. These, in brief, are the contentions of the Negative this evening.

The Gentlemen from New Haven have told us that we in the United States are in no way isolated, and that for our own interests we must participate in the organization of this League. Ladies and Gentlemen, we have never, in the whole history of our country, been completely isolated from the rest of the world. But we and our interests have always been adequately defended, so that we did not need to join an alliance for our defense. We have grown from an insignificant republic to a great world power. We have always had Great Britain as our neighbor, we

have always had Latin America to the south of us—and we have never yet had to depart from our traditional policies, and join an alliance for our defense.

Is it because modern invention has minimized the distance between Europe and America that we must join an alliance for our defense? Has the Atlantic Ocean suddenly become a river? Has the Pacific shrunk to the size of a brook? Is it because a submarine has sunk a few merchantmen off our Atlantic Coast that we must abandon the policies of a century and a half?

Every nation knows that the surest defense a country can have is a body of water. Look at the English Channel—a small body of water about twenty-four miles wide, which has never been crossed in a thousand years by an invader. And we have three thousand miles of such water between us and Europe. Germany had only twenty-four submarines when this war began; and yet the English navy has not been able to get beyond Helgoland, because the North Sea proved to be a greater barrier than all of Germany's submarines. Italy, too, has been unable to land a single soldier on Austrian soil, and Austria has been unable to land troops on Italian soil, because there is an Adriatic Sea between them. A body of water is the greatest defense that any nation can have.

And now we ask you to consider the position of the United States. We are five thousand miles away from the Orient, and three thousand miles away from Europe. No nation in the world would dare to leave its frontiers exposed to the other nations of Europe, to cross the ocean and invade our country. During the Revolutionary War France came to our aid and attacked England; during the war of 1812, Holland came to our aid, during the Spanish-American war Great Britain came to our aid, and during the Civil War even Russia came to our aid in the same way. The petty jealousies of the European states have always prevented an invasion of America; and they will do the same in the future. No nation will ever be so foolhardy as to leave its frontiers exposed and try to attack our country.

They would have to contend with our navy—the most powerful navy in our history, and the second in strength in the world. And if our navy should fail, they would have to pass our fortifications. And if these should fail, they would have to meet our reorganized army of half a million men. Our navy, our for-

tifications, and our army, these are defenses that are absolutely sure.

And as a further means of isolating ourselves from the wars of the rest of the world, we have our thirty-one arbitration treaties with the leading nations of the world—as the gentlemen from Yale have told you. These thirty-one treaties give us all the advantages of arbitration without any of the dangers of the League to Enforce Peace. If the nations of the world will keep treaties at all, we shall reap the advantages of these thirty-one treaties. And we shall have nothing to gain by the League to Enforce Peace. And if nations do not keep their treaties, and refuse to arbitrate questions, then we have much more to gain under our treaties than under this League to Enforce Peace. For if, under these treaties, Great Britain should break faith with the United States, and refuse to submit a question to the arbitration courts, then the United States and Great Britain would go to war over a cause in which they are both directly concerned. But under the League to Enforce Peace, if Roumania breaks faith with Bulgaria, we would be called upon to sacrifice our lives for a cause in which we are not in the least concerned. This is the great danger of the League to Enforce Peace.

But even if our defenses are inadequate, shall we then put our faith in the League to Enforce Peace? This League is based on a treaty. And we must remember, Ladies and Gentlemen, that a treaty is in the last analysis nothing but a scrap of paper; and that it will be broken whenever it is for the best interests of nations to do so. We need not go back to ancient history to prove that fact. In the early part of 1914, every nation in Europe had guaranteed the neutrality of Belgium; yet when Germany thought it would be for her best interests to violate the neutrality of Belgium, she did so; and she did the same for Luxemburg. Great Britain, France and Russia came to the aid of Belgium, because they thought it was for *their* best interests to do so; and yet these three nations are now doing in Greece the very same thing that Germany did in Belgium—because they think it is for their best interests to do so. Italy, too, broke her treaty with the Triple Alliance, because it was for her best interests to do so. And these nations will sign the treaty which is to create our League to Enforce Peace.

What is to happen if we enter this League, and live up to our part of the treaty; and these other nations decide that it is not for their best interests to live up to their part? The whole burden of the League would then rest upon our shoulders. We have learned our lesson once. We decided in 1793 to keep out of all future alliances, and from 1793 to 1917 we have never retracted that decision.

We do not need the League to Enforce Peace as a defense. We are adequately defended without it. It is at best a paper treaty, and it will be broken whenever it is for the best interests of a nation to do so.

SECOND AFFIRMATIVE

Robert Williams Dunn, Yale

Mr. Chairman: Ladies and Gentlemen: My colleague has opened the case for the Affirmative by showing you that the old traditions of preserving peace have failed, and that some new form of world federation is necessary. It is my purpose to show you why the United States should enter into this federation.

The United States should enter into this League, first, because we are going to get great advantages out of it. Second, because we are a part of the great world community. Third, because we are essential to the League, and lastly, because we have a high moral duty to fulfil by entering into the organization of a League of world powers.

Your own President Lowell has said that if we are unwilling to urge our government to take part in the league, it would be an impertinence for us to talk about world peace. President Wilson has said that "the interests of all the nations are our interests; we are partners in the great world state, and people in this country should recognize that fact." Mr. Wilson, Mr. Taft, and others already recognize the fact that we are no longer isolated; that the interests of the world are our interests. The business men of this country, the labor unions, all classes of people here in America recognize the fact that we are a member of the community of nations, and that because we are a member, we may be tomorrow involved in this great war, no matter where it started.

Then this League is going to give us something. This is purely a selfish point—it is going to give us certain safeguards for our commerce. In the first place, we have certain rules of international law, certain codes about the freedom of the seas, certain regulations about neutrality and neutral rights for which we are willing to fight. We must get them worked into the fabric of international law. We must get them accepted by the nations. How are we going to get them accepted? Not by separate treaties, but by a treaty which we make with all nations according to the four principles of the League to Enforce Peace; and by means of the conferences that meet under that League. It is to maintain these principles, which we cannot hope to maintain by our own armaments, and which must be upheld by the force of the world, that we should enter this League. Then only can our security and safety be assured.

The Gentlemen say that we are three thousand miles across the water. Perhaps we are; but what is this whole preparedness movement that is sweeping over this country during the last two years? One would be a fool to say that we are in no danger when we have a League or a possible alliance between Japan, Germany, and Mexico staring us in the face. And yet the Gentlemen seem to think that we are prepared most adequately against any dangers.

How can we secure ourselves? We cannot do it by simply crying isolation, isolation, when there is no isolation. We might do it by secret bribes, loans and concessions, such as the nations of Europe have tried; but these have been found to be a very doubtful proposition. Preparedness is all right; but you cannot protect a nation by armies alone. A war policy that will have the force of the world behind it; one that will protect our peace and security—that is what we want. Take a case in point:

Suppose we should get into some controversy with Japan, who is a member of this League to Enforce Peace along with us. The very fact that we were both in the League would make our relations with Japan much friendlier, and she would be anxious to cooperate with us. But suppose Japan should break faith, and refuse to submit the dispute to a court of arbitration? We would then have the joint force of the nations of the world to protect us against Japan. Do you believe that Japan, knowing that she would have to go to war with all mankind, would com-

mit an act of hostility against us? Japan would rather wait a year and have arbitration and delay. Meanwhile there would be a chance for public opinion to work. People would say, what are we going to fight about? And then, let's not fight! And the very delay would help in the settlement of the dispute.

Let us look at another reason for our entrance into this League. We are essential to the League itself. This is recognized in Europe by the Entente and the Central Powers. They realize that we are necessary to the League, and they have said that they are willing to cooperate with us in the League. Senator Cummins says: "The European powers take it for granted that we will be a part of this League of nations, and that we will support this League, and help to make it a success." A London correspondent writing in the New Republic only last week, said that England considered the United States indispensable to this League. Europe would despair if the United States had not already practically promised its support in the League. Therefore, we are essential because Europe considers that we are essential.

There is another reason. The United States should be in such a League because it is a great liberal democratic power. We do not want a Holy Alliance such as was started in 1815, crushing democratic spirit, and stifling liberalism. We want a League that is democratic and liberal in principles. Our opponents might object to our going over and consorting with monarchies. Of course, we do not know how many monarchies there will be left at the end of this war—with a revolution in Russia, and rumors of one in Germany—it is very doubtful how many there will be at the finish of this war. Even if there were monarchies in the League, that is only another reason why we should go into it. We must weigh the balance in the direction of liberalism in this World Federation.

This very fact that we are essential to the League leads us to the last point. We have a moral duty and responsibility to fulfil by going into this League. We have led the way in arbitration treaties, in conciliation, and all matters of this kind. We have had a political idealism, the reverse of all aggression; we are the natural leaders if this League is to be a success. And then again we have our democratic traditions. We have tried here the great experiment of democracy. We have here a model republic for

the world. We have forty-eight states, once entirely separate, but now bound together into one great alliance. We have a great responsibility resting upon us, to pave the way.

An Ex-justice of the Supreme Court said that "It seems to me as if God Almighty had planned to have this nation lead the nations of the world out of the strife." In the way of settling international disputes, this responsibility rests upon us, to maintain peace—not by armies, for an army can never of itself bring peace to the world—but by entrance into this League, where the joint force of all will be used as in our four provisions, against the nation that breaks its agreement. With the economic force of the United States, which is the most powerful in the world, and with the military force of the United States, which is growing every day, put behind this League, our safety and security will be assured.

Therefore, because of the fact that we are essential to this League; because we are going to get great advantages out of it; and finally because we have this great responsibility resting upon this nation to lead the way into a great peace organization, we should participate in the League of World Powers to Enforce Peace.

SECOND NEGATIVE

Cecil Eaton Fraser, Harvard

Mr Chairman: Ladies and Gentlemen: The Gentlemen have put forth a plan for a League to Enforce Peace; but in this plan they have proposed no machinery. They propose to use the entire economic and military pressure of the world; but they have no executive to bring all this force into play. They have proposed a League with a council; and that council has no basis of representation. There is not the smallest American republic that does not make some pretence of a form of government, and provide some machinery for that government; but the Gentlemen are proposing here to use the entire force of the world with no machinery to bring it into operation.

We of the Negative are just as desirous of peace as the gentlemen of the Affirmative. But we object to a scheme that is

so defective as to make war all the more probable instead of preventing it.

In the first place, we object to the scheme because it fails to remove any of the fundamental causes of war. We must remember that wars are not caused by the assassination of an archduke. Wars result from conflicts in trade interests, from competition, from national jealousies, conflicting national interests, and national hatreds. These are the causes which bring on great wars; and these causes the arbitration court of the League to Enforce Peace fails utterly to remove. Are Germany and France willing to arbitrate the question of the ownership of Alsace-Lorraine? Are Russia and Turkey willing to arbitrate the question of Constantinople? Does anybody think it remotely possible ever to arbitrate a complex matter like the Eastern Question? And has the United States suggested that she wants to arbitrate the question of the sinking of the Lusitania, or the question of submarine warfare behind it? Did we stop to arbitrate the Maine?

Questions like these the League to Enforce Peace fails to remove. It leaves quite untouched the fundamental causes of war.

The Gentlemen have said that the United States has great advantages to gain by entering such a League. But on the contrary, the League would place heavy burdens upon the United States. Senator Borah has pointed out that the League would involve us in every disputed question the world over; that we must have a standing army of at least half a million men to do our work in the League—an army ready at the beck and call of any European country. We must be made to suffer uselessly. Our government must take on the responsibility of providing military force for all Europe to fight with. Or, if we resort to a civilian volunteer army as we have in the past, then our business men must be forced to drop their business and enter mobilization camps the moment there is a question in dispute in Europe. And if this nation goes to war to settle the disputes of other nations, these men must leave their wives and homes and go into the trenches of Europe, sacrificing their lives for a cause in which they have absolutely no interest.

At Yale and Harvard, we have the Officers' Reserve Corps, in which students devote their time to learning how to become officers who can serve their country in time of need. The Gentle-

men would have us send these men over to Europe to sacrifice their lives in a cause in which they have absolutely no concern. And when the war is over, the United States must suffer under the same burdens which the nations of Europe are struggling under today. We must have our great pension lists, and the great debts which result from any international war. The United States has certainly nothing to gain by entering this League to Enforce Peace.

In the third article of the Gentlemen's plan, we find it proposed that economic pressure is to be used against any nation that goes to war or commits an act of hostility. The Gentlemen have pointed out repeatedly that we are not isolated commercially from Europe—that our stock exchange is dependent upon European conditions, and that we rely upon Europe for our trade. But we must remind the Gentlemen that under these circumstances, if we try to use economic pressure against a recalcitrant nation, we merely cut off our nose to spite our face. The same condition will arise as in 1807, when we attempted to apply an embargo to American goods. As a result of that embargo, over a million dollars' worth of American goods were left to rot on the wharves of New York and Boston—because we attempted to apply economic pressure.

A great nation like Germany is able to struggle on for several years without the help of outside nations. Our economic pressure would only affect small nations like Holland and Denmark. And it would injure the United States in exactly the same way that it would injure a country against whom we attempted to employ it.

Then it is proposed by the gentlemen from Yale that if economic pressure fails, they will use the combined military force of the world. All this, without any *machinery* to put it into operation. They have seen that it took the Allies two and a half years to prepare their great military machine, and put it into successful operation. It took a conference at Rome, a conference at Paris, and a conference at London; and during that time thousands of men were sacrificed in order to hold the enemy at bay. But the Gentlemen have made no provisions at all for bringing an even greater force into operation.

We may expect from the history of the last few years that a nation will only keep her word and use her military and economic

force when it is for her best interests to do so. As my colleague pointed out, France and England intervened to assist Belgium; and yet they have themselves violated the neutrality of Greece, because they saw it was for their best interests to do so. In 1873 the nations of Europe signed a treaty to give the Balkans to Turkey; and yet in 1914, and earlier, when these states revolted against Turkey, and took territory away from her, the nations of Europe failed to intervene, because it was not for their best interests to do so. Therefore we have reason to expect, from the history of the past, that nations will not use military and economic force for a mere treaty unless it is for their own interests.

The Gentlemen propose that this military force shall be used against any nation that commits a hostile act. But how are we going to determine what constitutes a hostile act? They have given us no machinery to do it. Austria regarded the invasion of Belgium, not as a hostile act, but as an act of self-defense. France regarded it as a hostile act. How, then, are we going to know just what a hostile act is? In the history of diplomacy, we often find one nation tricked by another into committing an act of hostility—as when Bismarck tricked Denmark into committing the first hostile move; and when in 1870, Germany compelled France to commit the first hostile act. If this League to Enforce Peace had been in operation at that time, the United States and the other nations of the world would have been compelled to take up arms for the defense of the unjust policies of Germany, instead of supporting the cause of humanity.

We see that this League to Enforce Peace would only place heavy burdens upon the shoulders of the United States; that it would remove none of the fundamental causes of war; that its economic pressure would act as a boomerang against the nation that attempted to use it. The Gentlemen have proposed no machinery to bring it into operation; and we cannot expect it to be used when it is not for the benefit of the nation using it.

Suppose that in spite of these defects, the League to Enforce Peace should actually be put into operation. Suppose that it should actually work. Then it would bring about one of the worst tyrannies the world has ever seen. The policy of this League is to place a friendly nation against a friendly nation. If Germany commits a hostile act against Crete, then Austria, in

spite of her friendship, must take up arms against Germany. We ourselves, for instance, have been very friendly with Canada for some time past. And yet conditions might arise under this League which would compel us to take up arms against Canada.

Suppose Germany should gain possession of a station in the Samoan Islands. Great Britain wishes to keep her treaty, and is willing to arbitrate; and Germany, realizing that the League will be against her if she commits the first hostile act, tricks Great Britain into committing the first hostile move, in the same way that she tricked France and Denmark. Then the nations of the world must take up arms against England, and we must take up arms against Canada—in spite of the friendly relations between Canada and this nation, and the thousand of Americans in Canada. Interest must be pitted against interest, friend against friend, and even brother against brother.

We have only opened the vista, to which we may yet return; but already we can see that this League removes none of the fundamental causes of war, and that if it is put into operation, it will either fail utterly, or result in one of the worst "tyrannies" the world has ever known.

THIRD AFFIRMATIVE

Edward Walter Bourne, Yale

Mr. Chairman: Ladies and Gentlemen: The gentlemen of the Negative have twice challenged us to suggest some sort of machinery for the League to Enforce Peace which would avoid the difficulties they have put before you. They must realize that it is not our part to spend fifteen or twenty minutes going into intricate details about the workings of the League. It is a part of our unofficial object to discuss the general principles, not the detailed workings.

We would call to your attention the wording of the question of the evening: "we shall *participate* in the organization of a League of Powers to Enforce Peace." We do not intend to organize a League with complete machinery all by ourselves, and force other nations to join the League and abide by our laws.

We of the Affirmative have tried to convince you that the time for world organization has come. The plan now under consideration, you must remember, provides for the practicability of the League, and for the moral support of public opinion behind it. We have shown you that our support of the League would bring great benefits to our country and to the world as a whole.

The gentlemen of the Negative have disputed these contentions. The objection they raise to our entrance into the League is that such a move would entail the surrender of our traditional policies. They say that we must adhere to our traditional politices, and not participate in the formation of any League to Enforce Peace.

But in the first place, what are our traditional policies? The Gentlemen do not seem to know. But the Monroe doctrine certainly is one of our traditional policies. Our Monroe Doctrine at the present time consists of two general propositions: first, America for Americans, by which we undertake to protect the Latin Americans, and keep peace in this hemisphere. And second, our so-called "policy of isolation."

It is claimed by the Negative that our participation in the formation of a League to Enforce Peace will in one way involve a surrender of such policies as these. But the League will certainly not make any difference in our relations with Latin America. We have always in Latin America been willing to arbitrate questions of great weight and importance, and have generally accepted the practice of settling by arbitration the complex questions arising in regard to international law. Take the Venezuela affair—the question of the collection of German customs and revenues, which was settled by arbitration. One of the most ardent advocates of this League has said that our entrance into it will in no way involve a surrender of our policies toward Latin Americans.

The gentlemen of the Negative have brought innumerable difficulties to bear upon the question of our entering into an alliance—into an organization which will involve us in wars in which we have no interest. It is the old Monroe Doctrine argument of entangling alliances. We wish to emphasize the fact that this League to Enforce Peace is in reality a disentangling alliance. The Negative maintain that we will be involved in wars

which do not concern us. Perhaps the most brilliant example they could give would be that of the present war, caused three thousand miles away by the death of an Austrian arch-duke. We have no interest in the causes of this war, and we never have had. Yet we are on the verge of entering into this war—a war which was the result of the act of a Servian anarchist. And still the Gentlemen maintain that we are isolated from wars of this sort. We have had an interest in the cause, the extent, and the effects of every war in the last hundred years; we can never hope to remain isolated from them.

The Negative have said that we will be drawn into wars of imperialism; into wars in which a democratic nation has no interest; into wars brought on by imperial powers. We would ask the Gentlemen, if the League to Enforce Peace will do all this, what other hope have they to offer that we shall ever solve the question of war? If the Gentlemen are so pessimistic about all hope for the future, it seems to me they would do much better to take strychnine and go off and die.

Of course we can never come to any solution if we expect nothing but evils. The first answer to all this pessimism is that before the war is over, perhaps there will be no nation left which has an imperial form of government. The other answer is, that it is the duty of the United States to bring about the peace of the world at any cost.

It seems to me that the Gentlemen's conception of this whole question is rather bigoted, so to speak. It would seem to me that their constitutions of citizenship, as members of the community in which they are living, or in their own state of Massachusetts, would give them some idea of the situation which we are facing. They say we have no interest in a dispute between Roumania and Bulgaria. On exactly the same principle that we are concerned, through our government, with a murder in the slums of New York, so we are concerned with all questions of international dispute. It is the duty of every citizen of the United States to prevent murder and so it is the duty of any nation in the society of nations to settle an international dispute, and prevent international wars.

There is still another problem before us. It is not the question of whether we shall have isolation. Isolation is a thing of the past. The steamboat, the railroad, the telephone, the tele-

graph and cable, all the intricate and various phases of modern commercial development have made it a myth. At the same time, our annexation of Alaska, the purchase of the Philippine Islands, the putting down of the Boxer rebellion, our activities in Cuba, and our participation in the Hague Conferences—and particularly President Wilson's recent note to the foreign powers—all these are proof of the fact that we have no longer any isolation.

The question now is, what departure shall we make from this long-drawn-out policy? Shall we have, as Mr. Bryan suggests, only a "moral force" of the United States, or shall we strive to set up a form of organization to cooperate with Europe and Asia? Or do we believe we have enough security and preparedness to let Europe go its own way? I must say that I wish that Harvard's most distinguished graduate, Theodore Roosevelt, could have heard some of the remarks of the Gentlemen regarding our present state of preparedness!

Shall we go on with the whole systm of preparedness, having the greatest navy in the world, in order that we may stand alone? Or shall we join in with the other nations of the world to make a new society of nations? Shall we be ready to assume our responsibilities in order that we may enjoy the benefits of civilization and peace?

THIRD NEGATIVE

William Lloyd Prosser, Harvard

Mr. Chairman: Ladies and Gentlemen: We have now before us the complete plan for a League to Enforce Peace outlined by the Gentlemen on the other side of the desk this evening. Presumably the Gentlemen have nothing more to tell us about their League, for their case is closed. And we must point out to you the fact that they have spent a great deal of time talking about what a wonderful thing this League to Enforce Peace is going to be, without telling us anything at all about just how it is going to operate when it is put into practice. They tell us that the League is to be controlled in a general sort of way by a council. How are we to be represented in that council? Is everybody to be

represented equally, so that a coalition of twelve South American republics can control the council? Or are we to be represented according to population, so that England and China can control the earth?

Are we to have an executive? What is it to be? How is it to be chosen, and how is it to operate? Who is to decide when a hostile act is committed; when we are to make war, and when we are to stop making war? And what guarantee have we that the League will not break up in a grand international war?

No man, Ladies and Gentlemen, goes up in an aeroplane until he is reasonably certain that the thing has enough machinery to make it fly. We cannot risk our lives, our prosperity, our very national existence, in a League to Enforce Peace, until we know something about how it will operate when it is put into practice.

The Gentlemen are proposing tonight a liberal and democratic League to Enforce Peace in which everybody signs a grand international treaty; and Germany and Montenegro, Russia and Nicaragua, Japan and the United States, the lion and the lamb, are to lie down together, while peace and arbitration reign over all.

But we must ask the Gentlemen to come down out of the clouds. Let us apply this League to Enforce Peace of theirs to the cold, hard realities of modern European politics; and we shall arrive at one of the worst tyrannies the world has ever seen. This League to Enforce Peace is a League of things as they are—not of things as they are now, but of things as they will be after the war. And somebody, Ladies and Gentlemen, is going to win this war. Each side has declared that it will fight to the finish, and not give in and make peace until victory is assured. It may be Germany who wins; it may be the Allies. But whoever wins, there will be defeat and injustice for the loser.

The winners will make the peace terms as unjust as they dare. They will take territory away from the losers, just as Germany took Alsace-Lorraine in 1870. France is fighting today to win back the territory she lost in the last great war, forty years ago. It will be the same after this war. The burden of the greatest war debt in history will be shifted to the shoulders of the losing nations by annexations of territory, and by a great war indemnity which will crush them for a century.

And in this situation, with the victors triumphant, and the losers crushed, the Gentlemen are going to bring down their League to Enforce Peace upon the world like a seal stamped in red hot lava, to keep things as they are. The victors in this war are to be the victors for all time. No matter who wins, no matter who loses; no matter whether the peace that is signed is a good peace or a bad peace, a just peace or an intolerable peace, we are to keep things *as they are.*

And what will be the inevitable result? Why did Bethmann-Hollweg favor this kind of a League to Enforce Peace at the beginning of the war, and why do certain of the Allied statesmen talk about it now? Because they know that the alliance which wins this war will dominate that League! And that alliance will use the League for its own selfish purposes, in order to crush and humiliate the losers.

Suppose the Allies win this war. Then England, France, and Russia will dominate that League. There is no getting away from it. You have the first article of the League which the Gentlemen are upholding printed on your programs—and it tells you that the League shall be formed, and all questions shall be arbitrated, "subject to the limitations of existing treaties." The Allies are bound together by a treaty today. The Gentlemen are going to stamp that treaty into the constitution of their League, and perpetuate that dominating alliance forever. But the Allies will be bound together by something far stronger than a mere scrap of paper; they will be bound by common interests, and by a common fear of the Central Powers. They will work together, and they will control the League. If there is a congress, they will control the congress. If there is an executive, they will control the executive. If there is an international army, they will control the army. But if there are none of these things, and the League works only by secret diplomacy, then they will still work together. And by what the Gentleman calls "loans, concessions and secret bargains"—and by the threat of their combined armies continually held back, they will still control the League.

They will decide what is a hostile act—when the League is to make war, and upon whom. They will have the right to call upon Germany, and Austria, and the United states for money and for troops. They can take our citizens away from their business, and put those citizens under their generals, and send them any-

where they please, to fight a war in which *we* have no concern. They can decide when peace is to be made, and on what terms. They can fix indemnities, and annex territory for their own selfish interests in the name of the League; and Germany and Austria and the United States can do nothing but obey orders, and pay the bills.

The United States does not belong to any alliance. We have not joined the Allies or the Germans. We should not have a word to say about the control of the League. But we should be called upon to obey the orders of this dominating alliance just the same. And no matter how unjust are the purposes for which the alliance may use the League, we must obey. That is the noose into which the Gentlemen are proposing that we put our necks this evening.

There was just such a League to Enforce Peace in the eighteen twenties. It was formed for the same purpose. It could do the same things, even down to making war if necessary. But instead of a League to Enforce Peace they called it the Holy Alliance. It was controlled by Austria, Russia and Prussia, the three winners in the last great war against Napoleon. It fought five wars. It put back a despot on the Spanish throne after his people had driven him off. It tried to keep the Greeks from gaining their independence. It threw Italy back under the heel of Austria for thirty years, and that is one reason why Italy is fighting in the war today. It was for twenty years the most infamous and execrable despotism ever seen in Europe; and it finally broke up in a free for all quarrel over the Eastern question, and led directly into the Crimean war.

That is the only parallel in history for the League to Enforce Peace which the Gentlemen are proposing this evening. And if we adopt their League, we shall have on the continent of Europe a new Unholy Alliance which will be twice as powerful and twice as tyrannical as the last.

But even if neither alliance wins this war; even if there is that thing which neither side wants, a peace without victory—there still remains on the continent of Europe the question of subject nationalities. There are a million Frenchmen in Alsace-Lorraine, held down by the iron rule of the Germans, who desire to get back to France. There are four million Poles in East Prussia who are in the same state. In Austria-Hungary there

are twelve subject nations held in captivity. In Russia there are thirty-nine millions of Poles and Finns and Roumanians and a dozen other nationalities—a population as great as all the United States west of the Mississippi—held down by the Russian yoke, and unable to gain their independence. There are three hundred million Hindus in India trying to break away from British rule, and unable to do so—a people three times the size of the United States itself.

Every American believes that these nations should be free and independent; our own President voiced the sentiments of the entire American people when he said that there should be a free and independent Poland. But we all know that sometimes a nation cannot become free without outside help. Italy could never have become free if England and France had not helped her; Cuba could never have become free if we had not helped her; and we ourselves could never have won the war of seventy-six without the aid of France. Yet the Gentlemen are clamoring to be allowed to set up their League to Enforce Peace. And in case Bohemia rises up against Austria, and England comes to the aid of Bohemia, and goes to war with Austria—then the Gentlemen would have us bind ourselves to go to war with England and all of England's allies, in order to help Austria, the most autocratic power in Europe today, suppress a subject nation which is trying to gain its independence as we did ourselves.

Peace without victory is in all conscience bad enough, Ladies and Gentlemen; but peace without justice and a League to enforce that peace, is the worst thing the mind of man can devise.

The United States has no interest in the future wars of Europe. They will be fought out in Europe alone. We are isolated from them, and we can defend ourselves without any entangling alliances. It is not for us to enter a League to Enforce Peace which removes none of the fundamental causes of war; which is based on a treaty which may be broken like a scrap of paper; which is met by unsurmountable difficulties in the way of machinery. It is not for us to lend our money and our troops to serve the ends of the dominating alliances of Europe, and suppress nations struggling for freedom. It is not for us, of all nations, to join a League to Enforce Peace which will play out the drama of the Holy Alliance over again.

FIRST NEGATIVE REBUTTAL

Abe Robert Ginsburgh, Harvard

Mr. Chairman: Ladies and Gentlemen: We must repeat that the gentlemen from Yale have given us no machinery for the working of their League. They have given us a wagon without wheels; they have sent us up the rocky road of arbitration, and they expect us to reach the land of peace and good-will. Arbitration in itself may have a great many advantages. We are not arguing against arbitration as such; we are arguing against a League which gives us no advantages over the thirty-one arbitration treaties we already have, and which is bound to bring us into future difficulties. If arbitration has any advantages, let us reap the benefits of our thirty-one treaties; and if a nation breaks her word, we shall not then be drawn into any struggle going on in Europe.

The gentlemen from Yale have made a great deal of the deterrent power of the League, and its principle of delay. What nation would go to war without first submitting its question to an international tribunal, when there is the possibility that all the nations of the world may rise up against her? But at the present time there is no nation in the world which could have a greater deterrent power than the United States itself. And yet our rights on the seas have been violated by Germany, and our vessels have been taken as prizes into British ports.

Let us observe the provisions of this principle of delay. The gentlemen of the Affirmative say that it will be a great advantage for us against Japan. Let us suppose that Japan comes down to Magdalena Bay and proceeds to fortify it as she attempted to do once before. The United States regards this as a hostile act and she forces Japan to submit the question to a council. Meanwhile a year elapses, during which Japan strengthens her fortifications. Then suppose that Japan is dissatisfied with the decision of the council. She would certainly be in a relatively better position than she was before the question was submitted to an international tribunal. And instead of bringing justice to the United States, the League would have brought injustice. Furthermore, if the League to Enforce Peace is established,

which necessitates the nations of the world using their economic pressure and military force against a recalcitrant nation, the question arises: what is to happen if England, Russia, and the other nations of the world decide that it is not for their best interests to intervene in behalf of the United States against Japan? Then we remain the only nation faithful to the principles of the League, and we are without any help at all.

The Gentlemen have also proposed that we should establish an international organization on the same basis as the national organization of the United States at the present time. We had at one time thirteen states, and at the present time we have forty-eight states consolidated into one nation. Why not extend this sort of principle to the nations of the world, and establish an international league? The difference between the United States and an international league is very simple. In this country we have people of common ideals, common customs, living under the same conditions, and governed by the same laws. In the League to Enforce Peace we shall have nations of conflicting ideals; we will have nations that are autocratic and democratic; we will have every type of nation that the world knows, all combined together, attempting to act in unity—to compose our League.

And so this League holds no advantage for us over our present position. It is only a paper treaty; and we are not willing to risk our lives in order to establish such a League to Enforce Peace.

FIRST AFFIRMATIVE REBUTTAL

Robert Williams Dunn, Yale

Mr. Chairman: Ladies and Gentlemen: The speaker has referred to Magdalena Bay as a possible outlet for Japanese operations. Now it is conceivable that when this League is established, this is the policy which would be pursued in such a case. An injunction would be issued against Japan by the Court or a properly constituted committee of the League. And during the year's delay, Japan would not be allowed to proceed with her fortifications.

Then they say we have no machinery. It would take us all night to outline to you the machinery of this League. We are

not here to debate how such a League should be operated; we are debating the essentials and the fundamental principles of the League to Enforce Peace.

The Negative have brought up the question of arbitration being applied only to small questions in dispute. Certainly—for it is the petty causes which lead to great disputes, and these petty causes are of vital importance. These can be and must be submitted to the Council of Conciliation. And while they are submitted, this League will enforce delay.

They say in one instance that the Allies are bound together on account of the present war, and that they will bring into this League their treaties which bind them with one another; and that the Allies will not use their military force against one of their own number. Of course in this particular League when a nation refuses to submit its dispute to a court for settlement, that would be recognized as an act of aggression against the League. And every power within the League would realize that to hold the League together, it was to its best interests to go to war.

They say that the United States might have to fight against somebody that is perhaps compelled by Germany to make the first move. But what we are trying to establish here is the principle of taking matters that precede a great war to a Court of Conciliation. We are trying to get a hearing and a period of delay; and we believe that by having such a hearing we can stop all wars.

The Negative also stated that if the United States should apply the economic boycott, it would be injurious to us. And yet statistics show that 97% of the business men in this country have approved economic pressure in the referendum supporting the League, and have been willing to attempt the boycott. The statement was made that this boycotting or economic pressure would only apply to small nations, such as Holland or Denmark. But the very fact that Germany is receiving supplies from Norway and Sweden today is proof, that, should the whole force of all the neutral nations be set against her, cutting off communications, and her food supply, she would be completely exhausted, and would submit her controversy to a Court of Conciliation.

The difference between arbitration treaties and the League to Enforce Peace is this. The League is a general agreement

among all nations that the joint forces of all will be used against that nation which breaks its arbitration treaties. A plain arbitration treaty is readily broken because one nation realizes that the world will not unite against her. This is the reason why our plan is better than any arbitration treaties.

As for armaments, we will arm to help the League and to protect ourselves.

SECOND NEGATIVE REBUTTAL

William Lloyd Prosser, Harvard

Mr. Chairman: Ladies and Gentlemen: We have a new factor in this League to Enforce Peace suddenly cropping up before us. If the United States gets into difficulties with Japan, we are entitled to apply to the courts for an injunction against Japan. And again they have told us nothing at all about the machinery with which they will get out their injunction. An injunction certainly requires machinery. If you ask any of a great many legal gentlemen in the hall whether any machinery is necessary to get out an injunction, they will tell you that it certainly is. Or if you ask the gentlemen with the blue coat and the brass buttons who will be at the door as you go out, whether he has any machinery in his police force, he will tell you that he has a sergeant over him, and a chief above the sergeant, and a city government behind the chief, and a mayor at the head of the city government. But what the Gentlemen are proposing tonight is a police force without any police.

It is all very well to talk general principles; but trying to stop a war with general principles is pouring rose water on a forest fire.

The Gentlemen have tried throughout the discussion to give you the impression that everybody in the world is highly in favor of this League to Enforce Peace. Ladies and Gentlemen, it is a mistaken impression. The nations of Europe are not by any means in favor of any such League. Look over the list of statesmen in Europe who have talked favorably of such a League. Earl Grey in England said he was in favor of some sort of League to Enforce Peace after the war—but he didn't say what

sort. But Earl Grey is out of power in England today. Aristide Briand in France said that such a League would have his sympathy. He said sympathy, not support. But Briand is overthrown, and out of power in France today. The Russian statesmen who declared that they believed in some sort of peace organization are being tried for their lives today.

Nowhere in all Europe has any group of people voiced any expression of approval of such a League by so much as a congress or a convention of unofficial delegates. In all Europe today there is no statesman who remains in power in any government who ever so much as mentioned a League to Enforce Peace—except one. That one is von Bethmann-Hollweg, the Chancellor of the most autocratic power in Europe. This is what he said about the League:

"Germany would be willing and eager to become a member of any sort of organization to suppress disturbers of the peace."

By "disturbers of the peace" I believe he meant the Allies.

Now the Gentlemen are proposing that this council of theirs, in which the basis of representation and the rules for voting are as yet unknown, shall codify international law for the interests of the United States, and establish freedom of the seas, and other things that we have always stood for. But they forget that after this war the alliance which wins this war will control the League, and the council. And that alliance will codify international law according to its own interests. If the Germanic Allies are the dominating powers in the council, it will be perfectly possible for Germany to make unrestricted submarine warfare legal. And if the Entente is in control, then Great Britain can go on confiscating our mails in time of war; and it will be perfectly legal, for Great Britain will be codifying our international law. And the dominating alliance of the League can override the Monroe Doctrine or any other policy of ours—and we shall have nothing to do but obey.

The nations of the world are not working for the sake of humanity; they are working for their own interests. They are pork-barrel congressmen in this congress of nations. And when we rely on the honor and the higher instincts of these nations, we are walking to our downfall.

The Gentlemen are proposing that we enter into this League in the interests of the United States and the interests of human-

ity. We can do far more good to the United States and far less harm to humanity if we stay out of the League, preserve our traditional policies, defend ourselves when we have to, and work as a nation for justice on the earth. For only when we have international justice is there any hope for international peace.

SECOND AFFIRMATIVE REBUTTAL

Edward Walter Bourne, Yale

Mr. Chairman: Ladies and Gentlemen: Again we have the continual outcry for the machinery of this League. Now at both Harvard and Yale we have voted on the question of compulsory military training. The question was—do you or do you not believe in compulsory military training? Yale and Harvard both voted very strongly in favor of it. It was not a question of whether the soldiers should be trained in Michigan or Texas. It was a simple question—do you, or do you not, believe in compulsory military training? And the question for debate tonight is a simple question—do you or do you not believe that the United States should so far depart from her traditional policies as to participate in the organization of a League of powers to Enforce Peace?

And now to come back to the main issue. Are we, or are we not ready to assume the responsibilities of such a League in order that we may reap the benefits? We are not trying to get at the fundamental causes of war. We have at the present time various forms of punishment for crime; but we do not try to get at the psychological causes of crime in order to inflict that punishment. We have a system of law working by means of effect—and we can in no other way remove the possibility of war.

The gentlemen of the Negative have spoken repeatedly of the dominating Allies and their new so-called "Unholy Alliance." Perhaps if we suggested a League to Enforce Peace in the year 2500 they would still cry out about the Holy Alliance. The situation at the present time is almost as different from what it was in 1823 as it will be in a thousand years from now. Russia was then a complete despotism. Austria had one of the worst monarchical forms of government, ready to put down any form

of freedom, and Prussia was hardly the most liberal and democratic of powers. But all is changed today. If we do not take a step forward now, when shall we take the step?

The gentlemen of the Negative have pictured to us the many complications of a long series of wars in which we may possibly be involved. It must be very evident to the most actual observer, that the worst possible, the worst conceivable outcome of this League would be our entanglement in only one war, waged for the cause of justice. And this of course, would not take place if the League to Enforce Peace succeeded in its mission.

The Negative have spoken of the whole world as members of a pork-barrel congress. They say that all the nations of Europe are out for their selfish interests. But the nations of Europe have changed their governments since 1823; they are about ready to assume the responsibilities of a League to Enforce Peace.

The whole proposal comes down to this: Do we want to make this nation the greatest militarist nation in the world, or do we want to join with the nations of the world in perpetuating world peace?

THIRD NEGATIVE REBUTTAL

Cecil Eaton Fraser, Harvard

Mr. Chairman; Ladies and Gentlemen: The Affirmative have said that it is the moral duty of the United States to enter into the organization of a League of Powers to Enforce Peace. But we believe that it is more of a moral duty for the United States to uphold her present policies. We have not yet reached the stage when all nations shall cease warring against one another. We object to having the United States participate in the organization of such a League to Enforce Peace as is planned after this war, because it will involve us in countless petty jealousies, and national hatreds.

There is not a single nation in Europe, not even a single strong statesman, except Bethmann-Hollweg, who supports this League to Enforce Peace. The diplomats of Europe are not in favor of such a League at the present time. They know that

the League would not do away with any of the fundamental causes of wars, and that it would drag the whole earth into every war that came along.

Remember that the League will be formed subject to existing treaties. Alliances now made are to continue in force. Germany, Austria, and other nations in sympathy will form one alliance. England, France, and the other nations opposed to that alliance will form still another one, and the situation will be the same after the war that it was before. So these nations will start to arm. There is nothing to prevent a nation from increasing its armaments; and finally, when these nations go to war for the League, it will be a war of preparedness. It will be one of the worst wars we have ever witnessed. What we object to in this League above all else is that the United States will be drawn into this war.

We deny the right of the Affirmative to restrict this discussion to moral principles. If we are to consider entering into a League to Enforce Peace—if we are to have thrown at our heads the simple question: do you or do you not believe in a League to Enforce Peace—we have a right to ask them, what sort of a League do you propose. That is what we have been asking them. And they have not told us anything about the practical workings of their League.

The fourth article of the Gentlemen's program provides for a council to be held from time to time to codify international law; but the laws which it codifies are not to be effective if some one nation objects to them. In other words, if this League to Enforce Peace is put into operation, and all the codes of international law are drawn up, and there is one nation that objects, then this code cannot be used. In that case Germany could object to the law fixed against submarine warfare, and it would not be valid.

We believe we have shown in this debate that the United States has nothing to gain by entering into this League, that heavy burdens will be placed upon her shoulders by the League; that the economic and military pressure of the League will not work without some sort of machinery behind it, which the Affirmative have not given us; and that the League will lead to a tyranny which will prevent the United States from taking up the cause of humanity.

THIRD AFFIRMATIVE REBUTTAL

John Martin Vorys, Yale

Mr. Chairman; Ladies and Gentlemen: In a debate of this kind there are always innumerable contradictions arising. In this case the Negative have in their various arguments supported points that are so diametrically opposed to each other, that we think it well to bring them before you. First, they say a treaty is a scrap of paper. Yet they say our policies and our safety will be upheld by our thirty-one arbitration treaties—we are fully protected by these treaties. Again they say the surest defense a nation can have is a body of water; and yet they go on to tell us of the ships sunk off our Atlantic coast, and our citizens who have been killed on them. They say that the quarrels of Europe have helped us in the past; and yet they go on to say how we have been hampered by the present difficulty; how our ships have been sunk, how our commerce has been interrupted by Germany and by England as well.

The Negative come continually back to this argument: let us preserve our traditional policies. And they have not told us what our traditional policies are. They have given us no evidence that they know what the traditional policies of the United States are. They seem to feel very much like the man in the song: "I don't know why I love you, but I do!"

Then the question was brought up about injunctions. An injunction, Ladies and Gentlemen, would only be issued against a nation that commenced hostilities. The nation would first be given a period of delay, and would then be judged by a Court of Conciliation. We must insist that we are not arguing the minor details of the League. There are a great many things wrong with the workings of the League which we knew about which the gentlemen of the Negative have not even mentioned to you at all.

We know that there are dangers connected with the League. But at present, there are in this country the greatest men in its history, who are working on the dangers and difficulties of the League. Some of the men who have helped in working out this League are:

President Wilson, Ex-president Taft, Secretary Baker, General Wood, Richard Olney, your own President Lowell, forty-eight governors, and a host of others—while the only man whom the Negative have in this country for their support is William Jennings Bryan.

We do not think that the United States is so selfish as to want to enter the League for the advantages she is going to get out of it, or because the petty jealousies of the European states are going to help her. We want the United States to enter because it is her moral duty to do so, no matter whether it is inconvenient or not. In facing this question, we are facing a parting of the ways. Shall we go forward or shall we go back?

"The United States has lived in isolation as long as she can," says President Wilson. "We are provincial no longer; the events of the last few months of turmoil through which we have passed, have made us citizens of the world and our fortune as a nation is involved with the world, whether we will it or no."

Shall future histories tell of this nation as a world power refusing to bear the burdens of a world power? Or is she to take her station in the society of nations, and assume the burden of bringing peace to the earth?

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World's Work. 21: 14128-46. Mr. '11. Dawn of the world's peace. Hamilton Holt.

CHAPTER IV

COMPULSORY ARBITRATION OF INDUSTRIAL DISPUTES

UNIVERSITY OF IOWA

RESOLVED: *That Congress should enact legislation providing for the compulsory arbitration of all labor disputes in interstate public utilities as a permanent policy.*

The Forensic League, a student's organization at the University of Iowa, carries on two debates annually in what is known as the I. M. I. Debating League, including the state universities of Illinois, Minnesota and Iowa. The debates occurred December 7, 1917 with each Affirmative team debating on the home floor. At Iowa the decision was two to one against the visiting team from Minnesota. At Illinois Iowa lost three to zero. One feature of the debate was the invitation of "expert" judges, or judges who were or had been teachers of debating. The Iowa debates as presented here were written up after the debates had been held, each debater reproducing as nearly as possible what he said in debate. In the rebuttal speeches only the main points are presented.

GLENN N. MERRY,
Faculty Chairman of The Forensic League.

NOTE: The briefs have been prepared by the editor of this volume.

BRIEF

COMPULSORY ARBITRATION OF INDUSTRIAL DISPUTES

Affirmative

Introduction:

A. It has been said that the question of industrial relations was more fundamental and of greater importance to the welfare of the nation than any other question except the form of government.
   1. This question can only be solved by extending the principles of democracy to industry.

B. The terms used in this debate may be defined as follows:
   1. By compulsory arbitration is meant the bringing into court of the two parties to an industrial dispute and the enforcing of the decree laid down by that court.
   2. The term industrial disputes is not limited to strikes but includes any matter of disagreement between the two sides—capital and labor.
   3. By public utility is meant all companies or persons authorized to exercise the right of eminent domain.

C. It may be granted that any adequate plan for settling industrial disputes must
   1. Give the maximum continuity of service.
   2. Secure justice.

I. Existing conditions demand the remedy compulsory arbitration.

A. For organized labor the present means of settling industrial disputes are either undesirable or inadequate.
   1. The strike destroys life and property and interrupts continuity of service.
   2. Voluntary arbitration has been a failure.

B. Compulsory arbitration is needed for unorganized laborers, because
   1. They have labor disputes of the worst possible character and of fundamental importance.
   2. They now have no method for settling these disputes.
   3. Compulsory arbitration will be an effective remedy.

II. Compulsory arbitration is right in principle.
   A. It is merely the extension of accepted and existing legal principles to industrial disputes.
   B. Settlement by civil courts is compulsory arbitration.

III. Compulsory arbitration is practicable.
   A. A simple workable plan can be devised.
      1. Industrial commissions can be established in the United States to meet the needs as they are known to exist.
      2. Voluntary arbitration can be continued as far as possible, and compulsory arbitration used only as a last resort.
   B. Such a plan would not require any reorganization of labor.
      1. For organized workmen it would substitute the binding decision of the arbitration court for the right to strike.
      2. To unorganized workmen it would give the power of collective bargaining.
   C. The awards can be enforced.
      1. Upon employers.
         a. They have property that can be seized in case of violation of the law.
      2. Upon employees, because
         a. The awards would be just.
         b. There are three powerful enforcing agencies—the prestige of the federal government, the force of public opinion, and the fear of losing a job.

IV. Compulsory arbitration is logically the inevitable next step in the development of justice in the United States.
   A. The government has already adopted it in establishments contracting with the government.

Negative

I. Compulsory arbitration is impracticable, because, in most cases, the awards cannot be enforced.
   A. To enforce them directly means involuntary servitude.
   B. To enforce them by fines or imprisonment would be impracticable.
      1. It would be difficult, undesirable and unjust to imprison the number of men usually involved in a labor dispute.
      2. Fines cannot be collected because the average workman has neither property nor wages sufficient to cover a fine.

II. Compulsory arbitration will not secure maximum continuity of service.
   A. In cases where it cannot be enforced it fails to alter present conditions.
   B. Where it can be enforced it breaks the continuity of service.
   C. This difficulty of enforcement and this failure to secure results will weaken public opinion.

III. Compulsory arbitration has failed wherever it has been tried.
   A. It has failed in New Zealand and Australia under conditions ideal for such an experiment.
   B. The enormous population of the United States and our democratic form of government would make the problem much more difficult.

IV. A system of governmental investigation is recommended as an alternative.
   A. Under this system a commission can investigate the dispute and report the findings publicly. Public opinion will then compel the settlement of the dispute.
   B. Such a plan will be practicable because it relies on public opinion for enforcement.
   C. It will secure maximum continuity of service.
   D. It has been successful where it has been tried.
      1. Nineteen of our states have systems of investigation and they are proving successful.

COMPULSORY ARBITRATION OF INDUSTRIAL DISPUTES

UNIVERSITY OF IOWA

Affirmative Speeches in Debate against the University of Minnesota

FIRST AFFIRMATIVE

Bert N. Metcalf, Iowa

During the last few years the question of industrial disputes and their settlement has aroused much public interest. Although we have always been aware of the existence of this problem it has taken some rather recent occurrences to press home to us the fact that it is a problem of peculiar public importance. The first concrete evidence of the importance of this problem came to us with the disastrous railway tie-up of 1894. That strike will be remembered as one of the most destructive in all of our industrial history. It ruined millions of dollars of property, caused a score of violent deaths, and, worst of all, the paralyzing of transportation brought much suffering to the thousands of people in our large cities. Thus we learned that the continuous operation of a public utility was essential to public welfare, that the public utility was something essentially different from the ordinary corporation in that it received certain peculiar advantages at the public expense. Franchise grants, often monopolistic in character as well as the right of eminent domain are given to the public utility. For these peculiar advantages the public utility owes certain peculiar duties to the public among which none is greater or of more fundamental importance than that of continuity of service. Should the rail-

roads stop running into Chicago that city with its thousands of children would be out of milk in less than twenty-four hours. Cleveland would be out of fresh meats in less than 36 hours and Detroit would face a famine in canned goods in two days time. We may further see how dependent we are upon continuity of service when we know that a general strike in the telephone industry would seriously handicap business all over the country. And a general tie-up in the telegraph ranks would not only mean the ruin of those business houses which make their transactions over the wires but it would effectually embarrass the Federal Government. Again in 1916 we met the problem in an even more startling form. A nation wide disaster was only narrowly averted by the Federal Congress passing the hasty eleventh hour legislation known as the Adamson Act. At that time it was rightly said that the question of industrial relations was more fundamental and of greater importance to the welfare of the nation than any other question except the form of government. The only hope for the solution of the problem lies in the effective use of our democratic institutions and in the rapid extension of the principles of democracy to industry. Because of a realization of these and kindred facts we are tonight debating the following question: "Resolved that Congress should enact legislation providing for compulsory arbitration of all labor disputes in inter-state public utilities, as a permanent policy, constitutionality granted.

Now before we further proceed with a discussion of this question it may be well that we have some understanding of just what some of the terms in this question mean. By compulsory arbitration the Affirmative understand the bringing into court of the two parties to an industrial dispute and the enforcing of the decree laid down by that court. Then with regard to an industrial dispute, we wish at this time to make clear that we are debating industrial disputes and not necessarily strikes. In other words a dispute does not have to find expression in a strike before it can be brought within the scope of this debate. And then what constitutes a public utility. Public Utility is a term used to denote all transportation and transmission companies, all heat, light, gas and power companies and in short all companies or persons authorized to exercise the right of eminent domain. Now in the light of these three definitions the Affirmative be-

lieve that any adequate plan for settling labor disputes must do two things. First it must give the maximum continuity of service and second it must secure justice. It shall be my further purpose to show that existing conditions demand the remedy, compulsory arbitration.

We are confronted at the outset of this discussion with the proposition that less than twenty percent of the labor involved in public utilities is organized. Now no intelligent discussion of this proposition can take place without a realization of the fact that the problem presented by the labor disputes between the twenty percent of organized laborers and their employers is altogether different and distinct from the problem presented by the labor disputes between the eighty percent of unorganized employees and their employers.

Consider first organized labor. Existing conditions demand the remedy compulsory arbitration because present means of settling their labor disputes are either undesirable or inadequate. It requires but little to convince that the strike as a means of settling labor disputes is altogether undesirable. In the first place the strike destroys human life. In the second place it is destructive of property. Our property loss as a result of strikes now amounts in one year to our entire fire loss, an annual loss of 250 million dollars. But worst of all the strike breaks that continuity of service which the public service corporation owes to the public and upon which the public is so peculiarly dependent. To be sure there have been some improvements made over this crude method. Trade agreements, mediation and conciliation and various forms of voluntary arbitration have been used but have been successful only to a very small extent. We learn from the twenty-first annual report of the commissioner of labor, volume 85, that in the last few years just one and one-sixth percent of the strikes occurring in the United States have been settled by voluntary arbitration. Clearly then, voluntary arbitration has been a failure. It is evident that this must be so, for it is not the cases in which both sides are willing to arbitrate that are causing the trouble, but it is when one side or the other feels itself strong enough to fight the case and says "we have nothing to arbitrate" that violence and trouble occurs. And it is here that voluntary means of settlement prove themselves to be absolutely helpless to force a settlement—simply because they are

voluntary. Look at voluntary arbitration with regard to the threatened tie-up in 1916. Voluntary arbitration failed in 1916 just as it has so conspicuously and repeatedly failed before—simply because it was voluntary. Long ago we learned that it took compulsion to make our civil courts a success and it will take compulsion to insure a peaceful settlement of industrial disputes. Therefore present means of settlement with regard to the organized workmen are either undesirable or inadequate.

Turning now to the field of the unorganized, we find that compulsory arbitration is needed even more urgently to settle their labor disputes because strikes and voluntary means of arbitration, since they require organization for their operation, are not open to this great mass of unorganized workmen. They cannot strike for it is obvious that a certain amount of organization is necessary to effectually carry on a strike. They cannot take advantage of voluntary means of arbitration because in the first place they lack the organization necessary to carry on and compel arbitration, and in the second place they lack the organization necessary to compel the acceptance of the decree after it has been laid down. Clearly then, four-fifths of the labor under discussion this evening is absolutely without any means of settling their labor disputes. That labor disputes exist is shown by two considerations: first the employees of public utilities are in many instances working under deplorable conditions. Now are we to assume that these men wish to work under these conditions any more than their organized fellow workmen or are we to take the more reasonable assumption that they wish to change these conditions but cannot. If there is any doubt, the second consideration will prove a conclusive answer, namely that the unorganized in public utilities are constantly striving to organize to better their conditions. But we learn from the senatorial document, number 415 of the 64th Congress that the officers of certain public utilities admitted to a senatorial committee that they fight organization among their employees by arbitrarily discharging any and all known to be even human sympathisers.

Now it remains to be shown that compulsory arbitration would give the unorganized workmen an effective method of arbitration. We have said that voluntary arbitration fails most signally with regard to the unorganized workmen because they lack the influence coming from organization necessary to compel

acceptance of the decree. Compulsory arbitration will not be open to this objection because it will substitute for the influence of the labor union, the influence of the Federal Government.

Briefly then, the case for the Affirmative thus far has been: that existing conditions demand the remedy, compulsory arbitration because as regards organized labor, present means of settlement are either undesirable or inadequate, and as regards unorganized labor three conditions are found to be true: First they have labor disputes of the worst possible character and of fundamental importance, second they have absolutely no method of settling these labor disputes, and third, compulsory arbitration will prove an effective remedy.

To close then, let us use the words of Judge John Gibbons of the Circuit Court of Cook County, Illinois, a student of this question, who says "There seems to be a consensus of opinion among the wise and thoughtful of today, that in arbitration, voluntary or compulsory must be found the settlement of these perplexing questions, and the former having so frequently and utterly failed to give us the required results, there exists imperative necessity for resorting to the latter—compulsory arbitration.

SECOND AFFIRMATIVE

Edward F. Rate, Iowa

So far in the debate, we of the Affirmative have shown that compulsory arbitration is necessary, first, to settle disputes existing between organized laborers in public utilities and their employers, and, second, to settle those disputes between unorganized laborers and their employers. We have further pointed out that, in the settlement, both continuity of service and justice must be secured. In continuing for the Affirmative, it will be my purpose to show that compulsory arbitration is right in principle, and practicable.

It is right in principle because it is merely the extension of existing and accepted legal principles to industrial disputes. We find that in our civil courts today, three essential principles must be shown in every case. There must be a duty owed, a violation

of the duty, and a substantial injury resulting; and when these elements are shown, compulsory arbitration may ensue. Take, for example, the simple case of Jones assaulting Smith. Now Jones owes Smith the duty not to hurt him, and by attacking him and taking away his liberty, he violates that duty, and may cause a substantial injury to the person of Smith. Now, when Smith has shown these three elements, he can bring Jones into court and compel him to submit to arbitration. He can inflict penalties upon Jones, and collect damages from him.

But, Ladies and Gentlemen, exactly the same elements that characterize such civil cases are present in industrial disputes. Suppose, for example, a dispute on a large railroad system. In the first place, do the railroads owe a duty to the public? The railroads owe a duty to the public because they are operating a public service for private profit; and this fact is indicated by the concessions granted to the railroads, such as the right of eminent domain and monopolistic franchises which could not have been given to purely private enterprise. Furthermore, the railroads are required to furnish a specified standard of service. They must serve all people equally; they must give continuous service; and their rates may not be higher than those granted by the Interstate Commerce Commission. For a long time, our government has recognized by extreme regulation, the peculiar duty of the railroad companies; but so far, it has imposed no restrictions upon employees. But in 1916, in the test case of the Adamson Law, the Supreme Court of the United States pointed out that railroad employees owed, jointly with their employers, this duty and responsibility to the public. In his decision, Chief Justice White said: "Whatever would be the right to an employee engaged in a private business to demand such wages as he desires, to leave the employment if he does not get them, and by concert of action, to agree with others to leave upon the same conditions, such rights are necessarily subject to limitations, when employment is accepted in a business charged with a public interest." Now clearly, when the disputing parties, by carrying their disputes to the point of strikes or lockouts, interrupt continuity of service, they violate this duty which they jointly owe; and my colleague has already pointed out the substantial injuries resulting from these violations. He has shown that it is upon the public, that is directly dependent on the railroads, that

the greatest injuries of industrial warfare fall, and that the Pullman car strike alone, cost the public over eight million dollars.

Now if Smith can bring Jones into court after proving these three elements, the duty owed, the violation of the duty, and the substantial injury resulting, and compel him to submit to the awards of a court, why should not the public be able to bring the railroads and all other public utilities into court, after proving the same elements, and compel them to submit to arbitration. The principles are exactly the same; and if our civil courts are right in principle, then compulsory arbitration must be right in principle, for settlement by civil courts is compulsory arbitration.

Furthermore, compulsory arbitration is practicable. It is practicable because a simple workable plan can be devised. According to the plan of the Affirmative, industrial commissions would be established in the United States sufficient to meet the needs as they are known to exist. We wish to make clear that these commissions would supplant in no way voluntary arbitration. We believe that voluntary measures, so far as they go, are good, and that wherever they have been successful, they should be continued. We advocate compulsory arbitration only to provide for those cases where voluntary arbitration has failed; and in these instances, we would have an investigation made and a decision handed down. If the decision were not satisfactory to the parties involved, a period of three days would be given for a settlement on any other peaceable basis, but if at the end of that time, no decision is reached, then the decision of the commission becomes the basis of settlement. To facilitate the enforcement of the awards each employe in public utilities would be required to take out a license, and violation of the decision would mean the forfeiture of the license which could only be regained upon the payment of a fine.

This plan of compulsory arbitration is practicable because it would not require any re-organization of labor. From the workmen who are already organized, it would take away the right to strike, but at the same time, it would give an effective substitute—the binding and just decision of the arbitration court. To unorganized workmen, it would give the power of collective bargaining, enabling them to meet their employers on equal terms.

Among the unorganized, we find that disputes are general, just as they are among organized workers. An injury to one is an injury to all. Now through the compulsory arbitration commission, an employee, no matter how weak, could petition the board; obtain an investigation of his conditions, just as investigations are now made by the government through voluntary boards; and secure a decision that would be binding upon his employer no matter how powerful he might be. If the court found that the petitioner's grievance was common to his fellow workers, then the decision would apply to all. Thus compulsory arbitration would deal with conditions as they exist today, and would require no further re-organization of industry.

Now let us consider the enforcement of the awards. It is evident that decisions can be enforced upon employers because they have property which could be seized in case of violation of the law. The awards can be enforced upon employees, in the first place, because they would be just. It is the contention of the Affirmative that the cause of most strikes is injustice and that when you remove the injustice, you remove the strike. Most men would not strike against a just decision, but for those who would, there are three powerful enforcing agencies. In the first place, the prestige of the federal government would be sufficient to enforce the awards in most instances. The people of the United States have become accustomed to obeying the laws of the federal government. The mail service, for example, has never been seriously interrupted in spite of widespread and violent strikes in our transportation system. In time of threatened strike, ask a railroad man if he is going to strike, and invariably his answer will be, "We will carry the mails." This attitude of labor was borne out in the Pullman strike of 1894, in which, though the business of the Middle West was paralyzed, the mails were carried simply because the carriage of the mails is a government service. Why is it that a train robber will rob the baggage car of a passenger train and yet never touch the mails? Why is it that a bootlegger will sell liquor to white men in violation of state laws and yet refuse to sell to Indians in violation of national laws? Simply because they respect and fear the power of the federal government. This power of the government is further shown in the acts of the Interstate Commerce Commission, the Conscription Act and the Adamson law,

all of which were made possible because of the established power of the national government. If the government can fix railway rates, if it can exact military service from ten million men, and if it can enforce the provisions of the Adamson law, then surely it can enforce the decrees of an arbitration court. In addition to the prestige of the federal government, there would be the force of public opinion to secure the enforcement of the awards. Public opinion is behind all laws that give obvious benefits to the people, and it will be particularly effective in this case because all the people are especially interested in securing industrial peace on public utilities.

Now it is the contention of the Affirmative that a just decision backed up by the combined prestige of the federal government and public opinion will be sufficient in the great majority of disputes to effect a settlement. Only an inconsiderable fraction of the men in public utilities—the agitators, the inefficient, and the malcontents—would violate the awards; and in doing so, they would forfeit their licenses and the right to their positions. The few who would respect neither the prestige of the government nor public opinion, and who would forfeit their license, lose their jobs, for continuity of service in public utilities can best be obtained without the services of this small class of workers.

In conclusion, let me summarize the case for the Affirmative. We have shown, first, that compulsory arbitration is necessary to settle those disputes existing between organized laborers and their employers, and to settle those disputes between unorganized laborers and their employers. Second, we have shown that compulsory arbitration is right in principle because it is merely the extension of existing legal principles to industrial disputes, and finally, we have shown that a simple workable plan can be devised that would give both justice and continuity of service.

THIRD AFFIRMATIVE

A. A. Herrick, Iowa

Compulsory arbitration for public utilities is logically the next and inevitable step in the development of justice in the United States. Compulsory arbitration is not a new and untried principle and method that we are endeavoring to force upon capital and labor for settlement of their disputes. It is merely the application to industrial disputes of the method which we have used for centuries for the settlement of individual disputes.

It took centuries to develop the system which we now have for settlement of civil disputes. First there was the old method of self redress, whereby, if two or more individuals got into a dispute they and their relatives fought it out. Might was right. More progressive people soon realized the need of a more adequate and just method and the plan of calling in a neighbor to act as arbitrator was adopted. While better than the old system this method was open to two serious objections. First only a few resorted to it, and even if they did resort to the arbitration there was no force to compel them to abide by the award. When the decision was against the stronger party, and a great deal was at stake, the stronger party refused to accept the award. Thus the plan failed where most urgently needed simply because it was voluntary.

The people then realized that only a compulsory method of arbitration would succeed and the court system was inaugurated. This means that in regard to civil disputes, where we now compel the matter to be brought before the court and compel the acceptance by the parties of the courts decision, we do have compulsory arbitration.

Since the adoption of compulsory arbitration for civil disputes two new individuals, capital and labor, have been evolved. Since the first, capital and labor have had disputes, which they have endeavored to settle by self-redress, in the strike, lockout, and blacklist. More progressive employers and employees realizing that self-redress is inadequate and unjust have resorted to the method of voluntary arbitration which corresponds to the old method of calling in a neighbor to arbitrate the dispute. It is

open to the same two objections. First it leaves it to the whim of the parties whether or not they shall arbitrate their dispute and only a very few use the method. In public utilities, only a small part of the twenty percent of organized laborers have adopted the method and it has settled only a little over one percent of the disputes in this country. The second objection to the plan is that when an award has been handed down it is again left to the whim of the parties to abide by it or not as they see fit. If the decision is against the stronger party and a great deal is at stake the stronger party may gain its end regardless of the arbitration. Thus the method fails where most urgently needed simply because it is voluntary. In the words of Victor S. Clark, who was appointed by the President to investigate the Canadian voluntary system: "Voluntary arbitration and conciliation fail where most needed, they have failed in Canada just as completely and conspicuously as they failed in our own railroad tie-up last summer." Our people realize the need of a compulsory system. As Dean Wigmore of the Northwestern University says: "The next mass of material to come before our courts is that of industrial controversies." The great threatened railroad tie-up of 1916 taught us the need and the value of compulsion. Voluntary methods failed to meet the situation and at the last moment Congress drew up a hasty bill to settle the dispute. Prof. Barrett of Johns Hopkins University says: "It was nothing more nor less than compulsory arbitration." We had a similar experience with our Interstate Commerce Commission. It was first given full power of investigation without compulsion. Most flagrant abuses were shown to exist, but public opinion alone was powerless to remedy the situation. Compulsory powers were finally granted to the commission and then and then only did we get adequate regulation of the railroads. All these instances show the need of compulsion.

That our government realizes this need is shown by the fact, disclosed in the September number of the Federal Bureau of Labor Statistics, that in all establishments having contracts with the government, the federal government has provided for compulsory arbitration of all their labor disputes; and every employer by assuming such a contract and every employee by accepting employment in such an establishment thereby agrees to be bound by such arbitration. There exists in these establish-

ments, an imperative necessity for continuity of operation, which the government realizes can be secured only by the peaceable settlement of their disputes through the medium of compulsory arbitration. Now this same necessity for continuity of service always exists in public service utilities, and it can only be insured by the adoption of a plan which will make a peaceable settlement of all disputes compulsory and not optional with the disputing parties. Since we must ultimately resort to compulsory arbitration, after voluntary methods have failed, as we did in the Adamson Law, the Affirmative maintain that more satisfactory results will be secured by the establishment of an orderly system of courts or commissions ready to cope with the disputes when they arise, and in a position to reach a compulsory finding based on careful investigation rather than on the haphazard justice of hasty and make-shift legislation.

In conclusion, the Affirmative have shown first that compulsory arbitration is necessary for the 20% of laborers who are organized; who find voluntary arbitration and the strike inadequate. It is even more necessary for the great 80% of laborers who because they are unorganized cannot even resort to the crude method of the strike, and with whom arrogant employers will not submit to voluntary arbitration.

Second compulsory arbitration is right in principle, for the principle is the same as that of our civil and criminal courts which principle all will agree is undisputedly right.

Third compulsory arbitration is practicable for it can be enforced by public opinion, by the prestige of the federal government, and the license system as explained by the second speaker.

Finally, compulsory arbitration is logically the next and inevitable step in the development of justice in the United States; for just as in individual disputes compulsory arbitration was found necessary to a successful settlement, so in industrial disputes our government has felt the need of compulsory arbitration and has already adopted it in establishments contracting with the government. All the Affirmative asks is the extension of this method to all industrial disputes in public utilities (because they are doing a public service for a private profit.)

FIRST AFFIRMATIVE REBUTTAL

Bert N. Metcalf, Iowa

Before going any further in this debate let me remind you that the two fundamental issues in this debate are the securing of maximum continuity of service and the securing of justice. Also let me point out that the gentlemen of the Negative have failed to even attempt to meet us on this last issue and since the unorganized laborers for whom we would secure justice make up four fifths of the labor involved, they have realized but a part of one fifth of the problem. Realizing that their plan of voluntary settlement can never meet the peculiar needs of the unorganized workmen they have attempted to rule this issue out of the discussion by saying that the paramount issue is continuity of service and nothing else matters and secondly that the unfortunate conditions of the unorganized ought to be met by minimum wage laws and such legislation. To the first we will answer that although the securing of continuity of service is highly essential still any plan which neglects the just settlement of the labor disputes of four-fifths of the labor involved is inadequate in the extreme. By narrowing the issues to the one, continuity of service, the Negative have virtually said that this debate embraces only those disputes which concern the continuity of service. But our question reads—all labor disputes in public utilities. That means one hundred percent of the disputes no matter what they pertain to and we must insist that the Gentlemen meet us on this issue, or else admit that they are considering but one-fifth of the problem. To the second we say that we are not advocating compulsory arbitration as a panacea for all evils but that these unfortunate conditions are within the scope of this debate only insofar as they concern disputes and that any talk about minimum wage laws and sanitation legislation is entirely foreign to this discussion.

Now let us examine this a little more deeply and find out why our opposing friends are so anxious to avoid contact with this second issue, the securing of justice for the eighty percent of unorganized workmen. They are advocating as a substitute plan for compulsory arbitration a method of collective bargaining.

Now let me point out that this is a purely voluntary form of settlement. It is voluntary in its inception and voluntary in its enforcement. As such it is open to all of the objections to a voluntary means of settlement. We have shown that voluntary means cannot help the unorganized which constitute four-fifths of the labor under consideration. Here then is the reason for their objection—because they know that their plan has the weakness of any voluntary plan in that it depends upon organization for its results. Therefore the Gentlemen are trying to escape the admission that even if we granted everything they say they would still be talking about only a part of one-fifth of the question. It is clearly to be seen then that their plan, a purely voluntary plan can never settle the labor disputes of eighty percent of the laborers in public utilities, whereas we have made that point one of the two fundamental reasons for our advocating compulsory arbitration and this stand is only strengthened when we recall that one of their speakers has admitted that compulsory arbitration has been a help toward the securing of justice for the unorganized in Australia and New Zealand. Let me briefly recall for you the elements of our case so far. First we have shown that there is a need for compulsory arbitration. Secondly, that it is right in principle, thirdly that it is practical and will work out, and lastly that it is logically the next and inevitable step in the development of justice in the United States.

SECOND AFFIRMATIVE REBUTTAL

Edward F. Rate, Iowa

At this point, we wish to clear up some misunderstandings that have arisen during the course of the debate. The Negative have consistently and repeatedly refused to recognize the existence of the 80% of unorganized workmen. They say that these men do not come within the scope of the debate and have confined their arguments to strikes. But the question as stated proposed compulsory arbitration for all labor disputes in public utilities, and the fact remains that the unorganized have disputes and grievances even greater than those of the organized, and yet they lack even the crude method of the strike to obtain jus-

tice. The fact that these disputes do exist is shown by the strikes that have occurred in industries where organization of workmen is forbidden, and it is significant that almost invariably such strikes have failed. Furthermore, the Negative have not realized that the question only applies to disputes in public utilities and that the arguments for and against compulsory arbitration in all industries do not apply in the case of public service industries upon which all other business depends. They have attempted to show the failure of compulsory arbitration in Australia and yet have not shown a single instance of an illegal strike occurring in public utilities in that country. Again, the Negative would have you believe that compulsory arbitration is an entirely new idea, but we have had the principle of compulsory arbitration for over three centuries in both our Roman and common law systems; and the plan of the Affirmative is simply the extension of this principle to industrial disputes.

Now the Negative have attacked the justice of compulsory arbitration, but if you cannot get justice by an arbitration court then there is no method of obtaining justice; and by attacking the plan proposed by the Affirmative on this basis, they are attacking our entire common law system. Our courts today are handling some of the most difficult and technical economic problems, involving receiverships for railroads and great corporations. The Interstate Commerce Commission is handling what is perhaps the most difficult of our industrial problems—the regulation of railroad rates, and that just railroad rates have been established, cannot be doubted. Industrial courts for labor disputes and the regulation of wages would encounter no greater difficulties than has the Interstate Commerce Commission. We do not say that courts for industrial disputes would be perfect, any more than our civil courts for individual disputes would be perfect; but it is our contention that they would secure the closest possible approximate to justice.

Now let us briefly review the course of the debate this evening. The Affirmative has shown that compulsory arbitration is necessary, and the Negative have agreed to this proposition by presenting a substitute plan of collective bargaining. We have further shown that compulsory arbitration is right in principle, and this likewise has not been attacked. It is clear then that the issues of this debate are as to what plan will secure maximum

continuity of service and give justice. My colleague has shown that the plan of collective bargaining proposed by the Negative does not even attempt to give justice to the unorganized workmen, and that compulsory arbitration will do this by providing for governmental investigations and compulsory decisions. Now let us see which of the two plans presented will give the maximum continuity of service.

The plan of the Negative, collective bargaining by means of trade agreements, is one of the many forms of voluntary methods for settling labor disputes; and, as the Affirmative has shown again and again, will always fail simply because it is voluntary. Any adequate remedy for industrial disputes must do two things; it must bring the two parties together to secure an agreement; and it must provide some method for effectively enforcing the decision. The plan of the Negative falls down in its very inception because there will always be a certain percentage of the cases where the parties will refuse to come together to reach an agreement. This was the trouble in the threatened railroad strike of 1916, when the parties to the dispute could not reach an agreement themselves and refused to arbitrate—refused even to attempt a settlement.

It is for such occasions that compulsory arbitration is designed. It would provide for the settlement of disputes by a third party, just as do the civil courts today, and it would enforce the just decision. The Negative contend that the decisions of the courts could not be enforced, but we have shown that there would be three powerful enforcing agencies. There would be every feature available for enforcing any voluntary method plus the prestige of the federal government and the federal license. We have shown that in the great majority of disputes, the combined prestige of the federal government and public opinion would be sufficient to enforce the awards, just as it now enforces the provisions of the Interstate Commerce Commission, the Adamson Law, the Conscription Act, and all other national measures. Then for the few who would not abide by the laws, there would be the license, which means that employees lose their jobs by violating the awards. The application of this license system to a great number of unskilled workers would not affect continuity of service, because the places of these men can be filled at a moment's notice by the unskilled in other industries

and from the ranks of the unemployed. For the skilled workmen it would prove the most powerful incentive for remaining at work, because they will not risk their positions which they have worked years to obtain in a hopeless struggle against the federal government. Now we wish to make clear that this force would be exerted only in the interests of justice. We would simply obtain a settlement based on just, legal principles and then enforce justice.

Thus compulsory arbitration would provide for those cases where voluntary methods would fail. It includes all the advantages of voluntary procedure, and in addition takes the one final and necessary step—enforcement by the government.

THIRD AFFIRMATIVE REBUTTAL

A. A. Herrick, Iowa

Before we conclude the debate this evening let us again weigh both the Affirmative and Negative arguments and determine just exactly what the main issues are.

In the first place both the Affirmative and Negative agree that continuity of service and justice must be the essential elements of any successful method of settlement.

Now the First Negative speaker has granted that the Australian plan has succeeded with the unorganized laborers. The unorganized laborers in this country make up 80% of the laborers in public utilities. In other words the Negative grant that the plan will work with four-fifths of the laborers.

The issue then comes to continuity of service and justice for the remaining twenty percent of organized laborers. To settle these disputes the Negative offer a plan of voluntary arbitration; but we have already shown that voluntary arbitration which grants no settlement to the unorganized laborers is seldom even resorted to by union men. It has settled in this country only a little one percent of all labor disputes. The Negative have said that in a period of four years from 1908 to 1912 voluntary arbitration settled forty-seven out of 48 disputes and is therefore 96% perfect while the Australian plan in one year settled only 11 out of 12 disputes and is therefore much less efficient. But

this analogy is clearly unfair. In each case there was a single strike, take out the 12 in the voluntary method in which the strike occurred and you have the same result. They realize that the voluntary method is resorted to only when both parties agree to it. Here it falls down and fails where most needed because it is voluntary.

As to the failure of compulsory arbitration in New Zealand; the Negative in pointing out their strikes have not shown a single strike in a public utility and hence not one strike cited comes within the scope of the question we are debating tonight. Further there is a loophole in the New Zealand plan whereby if the parties are not satisfied with the decision they may withdraw from under the act. Here is the real weakness in the New Zealand plan; it is in its ultimate analysis voluntary. Imagine the state laying down a murder law convicting a man under it and then saying: "You have been convicted of murder abide by the law or not as you seen fit."

Now, we are not arguing against voluntary arbitration with intent to destroy cooperation and trade agreements where they exist; because in cases where real cooperation does exist there will be no need of compulsory arbitration. But those instances where voluntary methods will not meet the situation as in the great railroad tie-up of 1916, we maintain compulsion is necessary.

As to the Negative argument that the license system will not be successful in enforcing the law. The third speaker said that no court in the world would force a man to work against his will. This is exactly the point; we are not trying to. We will revoke the license if the workman strikes and he must pay to get it back. This is exactly the same as contract liability where a man is not forced to work but he must either perform his contract or pay damages. The gratifying result is that about ninety nine out of every hundred perform the contract. Labor commissioner Weinstock of California says, "That if it were put to a vote of the laborers whether or not they should strike ninety percent would vote against it." We are giving them this opportunity of preserving the industrial peace.

Finally, then the Affirmative plan includes the Negative plan giving full sway to voluntary method where successful but when

they fail we maintain compulsion is necessary; for public utilities are doing a public service for a private profit and continuity of service and justice to all must be secured.

Negative Speeches in Debate Against the University of Illinois

FIRST NEGATIVE

Harold G. Sandy, Iowa

Before continuing further in this debate, it may not be out of place to define a few of the terms involved. A public utility is a business which is affected with a public use or interest. The law has recognized as public utilities all transportation and transmission, all heat, gas, light, and power companies, and in short all persons or companies which may be authorized to exercise the right of eminent domain. There are four kinds of arbitration that require consideration: voluntary arbitration, governmental investigation, compulsory investigation, and compulsory arbitration. By voluntary arbitration is meant that the employer and the employee voluntarily submit their differences to arbitration. The arbitration board hands down an award, and then, the employer and the employee voluntarily accept that award. That is to say, voluntary arbitration is purely voluntary; voluntary at the beginning, and voluntary at the end. Government investigation, as voluntary arbitration, involves no compulsion at either point upon the two parties to the dispute, the only compulsion being upon the government to make the investigation and to publish its findings and recommendations. Compulsory investigation is compulsory at the beginning, but voluntary at the end. In the case of a threatened strike or lockout the dispute must be submitted to an investigation board. The acceptance of the recommendation of this board, however, is entirely discretionary with the parties. Now compulsory arbitration consists of two essential features of compulsion. There is compulsion, in the first place, to submit to arbitration, and there is compulsion in the second place, to accept the award of the arbiters. This is

the particular method of arbitration that must be supported by the gentlemen of the Affirmative tonight.

Now, it is my purpose, as first speaker on the Negative, to show that this last step of compulsion cannot be taken, because it is impractical of enforcement. In other words, it is my purpose to show that compulsory arbitration is impracticable, because in most cases, the awards of the arbiters cannot be enforced.

There are two general methods of enforcing any law; the direct and indirect. The awards of the arbitration court must be enforced either directly or indirectly. To enforce such an award directly would mean that in case labor was dissatisfied with the terms of the award, it would be compelled to work against its will. Now suppose that in the case of a threatened railroad strike, such as confronted us in the summer of 1916, the arbitration court decided in favor of the railroad corporation and 400,000 laborers refused to work. Direct enforcement would mean that these 400,000 workmen would actually be compelled to work against their will. It would mean that every fireman would be compelled at the point of the bayonet to shovel coal into the firebox, and an armed officer of the law would stand behind every engineer and compel him to hold his hand on the throttle and regulate the speed of the engine, and every conductor would actually be compelled to walk through the trains and collect the tickets from the passengers. This is just exactly what the direct enforcement of the award of an arbitration court would mean. Now, clearly this is highly impractical, and obviously such a method cannot be used in a democratic form of government.

Then, the Affirmative must resort to the indirect method. Here they have two alternatives; imprisonment or fines. It is inconceivable to imprison 400,000 workmen, in the case of a large railroad strike. Just think of throwing in prison all of the engineers, all of the firemen, all of the conductors, and all of the freightmen on our railroads merely because they did not wish to work under conditions prescribed by an arbitration court. Think of the huge task of imprisoning only a few hundred laborers, and yet public utility disputes usually involve thousands or hundreds of thousands of workmen. And remember that the workmen who in most cases are respected citizens, would be placed on the same level as thieves and criminals. Now, ob-

viously such a procedure would not only be impractical, but would be absolutely unjust to the men involved.

Then the Gentlemen must turn to enforcement by fines; and here even greater difficulties are encountered. It will be impossible to collect fines by assessing labor unions, because in the first place, only a few labor unions are incorporated and are subject to fines, and secondly because about eighty per cent of the employees of public utilities do not belong to any labor organization. Then the proposition is reduced to the problem of collecting fines from the individual workman. Here, the Gentlemen must remember that before a fine can be collected from a man, that man must have seizable property, or at least, he must receive a wage which is sufficient to enable him to pay a fine. As a matter of fact, the great percent of unorganized workmen in public utilities receive scarcely a living wage. According to the last report of the Interstate Commerce Commission, fifty-one percent of the unorganized railroad employees receive less than two dollars per day. According to the 1914 Report, seventy-three percent of all railroad employees receive an average of $2.15 per day. Just think of it; the railway corporation pay seventy-three percent of their employees an average wage of $2.15 per day. And the railroads pay better wages than do the other industries in public utilities. Now, best authorities on the cost of living say that a man, in order to provide for a family, must have an income of at least $800 per year, or approximately $2.25 per day. How, then, is it possible to collect a fine from a man who receives an average wage of $2.15 per day. How can the government enforce the award of an arbitration court upon the unorganized workmen in public utilities, when that workmen receives scarcely a living wage and has no seizable property? If the employees of a public utility refused to accept the award of an arbitration court, the government would find itself helpless to enforce compulsory arbitration by levying a fine upon those men who live from hand to mouth.

To illustrate my point, let me cite the experience of Canada. Canada has a method of settling labor disputes which is not compulsory arbitration, but involves the same principle of governmental enforcement as does compulsory arbitration, in that it is unlawful for labor to strike within thirty days, pending an investigation. It provides a penalty of $10.00 per day for striking

employees. From 1907 to 1916, according to the September report of our own Bureau of Labor Statistics, which has made a thorough investigation of Canadian labor conditions, this law was violated 204 times; 204 illegal strikes occurred. Fines have been levied to the amount of thirty million dollars ($30,000,000), assuming the minimum penalty; but the aggregate of fines collected has been only $1600.00. Why? For the simple reason that the Canadian workers, as the public utility workers of the United States, receive scarcely a living wage and have no seizable property. Think of it; in Canada fines amounting to $30,000,000 have been levied against strikers, but only $1600 has been collected, because the Canadian government has found itself unable to take money or property from the man who has none. Consequently, there has been created a disregard for the law; the workmen, knowing that it is impossible to collect a fine, do not hesitate to strike whenever they feel like it. 204 illegal strikes have occurred in ten years, because the Canadian government has not been able to make men work against their will for a period of only thirty days. Now my point is simply this: governmental enforcement must fail. It is impossible to compel labor to accept an unsatisfactory award, and thereby compel men to work against their will, through fear of the imposition of penalties by the government. Quoting from this same labor report: "In the face of this record of prosecutions and violations during a period of nearly ten years, it does not seem probable that a wholesome respect has been fostered for such provisions, nor that a fear of the imposition of penalties serves in any considerable degree as a restraining influence. On the contrary, there is a strong indication that whatever success has attended the administration of the act has been due to the conciliatory efforts of the Department of Labor through its boards of conciliation and investigation."

Now in the United States compulsory arbitration would make striking, at any time, an unlawful act. If in Canada, where striking is forbidden for a period of only thirty days pending an investigation, the law has been repeatedly broken and they have been absolutely unable to collect fines provided by their law, how would it be possible, in the United States under similar conditions, to enforce the award of compulsory arbitration which forbids striking forever? In the United States, a law that provides

that labor must accept the award of an arbitration court will inevitably meet with failure, because fear of law will not compel a man to work against his will when he knows that that law cannot be enforced for the reason that he has neither seizable property nor a wage sufficient to enable him to pay a fine.

I have shown that compulsory arbitration is impracticable, because in most cases the award of an arbitration court cannot be enforced. (1) The direct method means involuntary servitude. (2) The indirect method can never succeed, because it would be too impracticable and undesirable to imprison the number of men usually involved in a public utility dispute; and fines cannot be collected, because the majority of the individual workmen have neither seizable property nor do they receive wages sufficient to cover a fine.

SECOND NEGATIVE

W. E. C. Hutcheon, Iowa

The purpose of a public utility corporation is to render certain services to the general public. At the very outset, we see that the problem confronting the Affirmative and Negative teams is that of securing the maximum continuity of service from the public utility for the general public. As Carroll D. Wright, a man prominent in voluntary arbitration, says, "The subject must be viewed very largely from the standpoint of the public's interest, for if compulsory arbitration is ever justifiable it is only when it is essential to prevent industrial warfare, that society may not suffer." It shall be my purpose to outline what we consider to be the logical classification of labor disputes, and then to apply the principles of compulsory arbitration to the various groups of disputes in order to determine whether compulsory arbitration will secure the maximum continuity of service in public utilities.

All industrial disputes can be divided into two classes. In the first class, we have those disputes which are settled voluntarily by the employers and the employees. In other words, the first group includes those disputes which never cause inconvenience to the general public by breaking the continuity of ser-

vice. These disputes are not involved in the discussion tonight. The Affirmative cannot base the success of their plan on these disputes which are settled by voluntary action of the parties involved. Thus our problem narrows down to the other class of disputes—those which are not settled by voluntary methods. This class of disputes, or those with which compulsory arbitration must deal, can be further sub-divided into two classes:—in the first place, we have those disputes which are settled by public opinion; and, in the second place, those disputes which must be settled by law. My colleague has already pointed out that in the majority of cases, the awards of the arbitration courts cannot be enforced by means of fines since the majority of the employees are receiving less than a living wage and do not own property:—that it is also impossible to imprison the violators of the awards because of the large number of persons involved. After eliminating those disputes which are settled by voluntary methods and which do not enter into this discussion, we see that the disputes with which compulsory arbitration must deal can be grouped into three classes—(1) those which are settled by the indirect pressure of mere public opinion; (2) those disputes in which the awards can be enforced by law; and (3) those disputes in which the awards cannot be enforced by law. Let us begin with the last group—those in which the award cannot be enforced—and consider each of these groups in order to see if compulsory arbitration will secure the maximum continuity of service.

In the first place, will compulsory arbitration secure the maximum continuity of service if the awards of its boards cannot be enforced? The purpose of any law is to alter certain conditions. The success of that law depends upon the altering of those conditions. Compulsory arbitration aims to prevent strikes and lockouts so that continuity of service will not be disturbed. If compulsory arbitration cannot be enforced, it means that strikes and lockouts will continue to occur as at the present time. In those cases where compulsory arbitration cannot be enforced, present conditions will not be altered; strikes and lockouts will not be prevented; and the maximum continuity of service will not be secured. Thus we see that in those cases where compulsory arbitration cannot be enforced, the maximum continuity of service will not be secured.

Now let us turn to the second group and see if compulsory arbitration, if enforced, will secure the maximum continuity of service. We have already seen that the two principal methods employed in enforcing awards are those of the fine and imprisonment. Will the enforcement of the awards by means of imprisonment secure the maximum continuity of service? Maximum continuity of service requires that every employee must perform his individual task. It is self-evident that the workman in jail cannot perform his individual task. Thus enforcement by means of imprisonment will not secure maximum continuity of service, but will rather defeat the maximum continuity of service by making it impossible for the employees to continue their employment during the time of their imprisonment. Will the enforcement of the awards by means of a fine or a penalty secure the desired maximum continuty of service? When the employee pays a fine or forfeits a penalty, he considers that he has compensated the government or his employer, as the case may be, for the privilege of quitting work. It simply means that he has paid for the privilege of refusing to abide by the decision of the arbitration court; for the privilege of defeating maximum continuity of service. In those disputes where compulsory arbitration can be enforced by law, it defeats its very purpose—the securing of maximum continuity of service.

I have already mentioned that a large percentage of labor disputes are settled by the pressure of mere public opinion. Our aim should be to encourage this method of enforcement. Will compulsory arbitration strengthen or weaken this public opinion? The adoption of a law upon any subject tends to remove that subject from the realm of public opinion. The general public depends upon the government to enforce the law. Thus the enactment of compulsory arbitration preventing strikes and lockouts in public utilities will weaken that body of public opinion which is settling the majority of these disputes at the present time.

The failure of this law, however, when it is enacted, will further weaken this public opinion since it fails to secure the result for which it was intended—continuity of service. In the cases where it cannot be enforced, it will create a disregard for the law on the part of both the employee and the general public. When the employee knows that the award cannot be enforced

upon him, he will not respect compulsory arbitration. Again, if the awards cannot be enforced, the general public will not respect compulsory arbitration. In the case where it can be enforced, the result will be even more undesirable. Take the case of a farmer who has a car load of hogs to ship to Chicago. If this farmer is informed that the settlement of a certain dispute on the railroad has resulted in any other condition than the maintaining of continuity of service, he will become antagonistic towards this law. The very fact that a law, if enforced, will defeat its own purpose—maximum continuity of service—will create antagonism for that law on the part of the general public.

Thus we see that the enactment and operation of compulsory arbitration will undoubtedly weaken public opinion. When the law is enacted, the general public will expect that law to prevent strikes and lockouts without the indirect pressure of public opinion. In the cases where it cannot be enforced, it will create a diseregard for the law merely because of its non-enforcement; and in the cases where it can be enforced, it will create antagonism for the law for it fails to secure its own end—continuity of service. The creation of this disrespect and antagonism for the law will weaken public opinion. As this public opinion is gradually weakened, less and less disputes will be settled by its indirect pressure, which means that more and more disputes must be submitted for enforcement by law—a process which fails regardless of whether it can or cannot be enforced.

In conclusion we see that compulsory arbitration will not secure the maximum continuity of service because: (1) in cases where it cannot be enforced, it fails to alter present conditions; (2) in the cases where it can be enforced it breaks the continuity of service; and, (3) this difficulty of enforcement and this failure to secure results will weaken public opinion.

THIRD NEGATIVE

T. F. McDonald, Iowa

The first two speakers of the Negative have shown that the plan of the Affirmative is impracticable and that it fails to secure the maximum continuity of service. It is my purpose in this debate to show that compulsory arbitration has failed wherever it has been tried and that a better plan is available.

The Negative have waited tonight to see if the Affirmative would bring forward any example of compulsory arbitration where it has worked out successfully. But the Affirmative have persistently averted any reference to any country where their system has been tried. The reason for this is self-evident for wherever it has been tried it has completely failed.

To find a country that has dared to adopt such a system it is necessary for us to go to the South Sea Islands. Down to the Country known as "The experiment station of reforms"—New Zealand and its neighbor islands—Australasia and New South Wales.

Under the ideal conditions of those countries let us see what has happened. Where the country is small, with a strong centralized government, high wages because of the protective tariff, unions not only recognized, but fostered by the government, a country so small the arbitrators are acquainted with all the conditions of the employers and the employees, in a country with only one fourth the working population of that of the city of Cleveland, and still compulsory arbitration completely failed. Now if it fails under these ideal conditions what can we expect in a country like ours with its millions of workingmen and its democratic form of government? The impracticability of such a system in the United States is self-evident.

In 1896 when compulsory arbitration was first adopted it seemingly was successful. Why was this so? Because at that time wages were on the increase and every award handed down was in favor of the employees, but the minute wages reached their zenith and an award was handed down in favor of the employer the employees resisted and thus was marked the downfall of compulsory arbitration. This happened in 1907

when the Federate Seamen refused to abide by the award of the court. In the same year was the great slaughtermen's strike when the strikers refused to even have their case tried before the arbitration court whose awards they were legally bound to obey. In 1908 occurred the Blackball Coal Miner's strike when the miners simply hurled defiance in the face of the arbitration court and the government openly confessed its inability to compel its enforcement of the award. Then in 1913 occurred the Dockman's strike when every trade of the island was represented. Business was paralyzed, law and order were cast aside, property destroyed and innocent lives were lost, when all minds turned against the government. The awards could not be enforced.

These same conditions were true in New South Wales and Australasia for only last year Australasia suffered the most complete tie-up of its transportation system that has been known in the history of the country. Thus we see that compulsory arbitration has completely failed wherever it has been tried.

Not only has it failed, but it has lost its most ardent supporters. Mr. Lusk, the champion of compulsory arbitration at the time of its adoption in New Zealand has recently publicly denounced compulsory arbitration and has publicly admitted its failure.

The Negative wish to suggest as an alternative plan a system of governmental investigation as recommended by Professors Barnett and McCabe of Johns Hopkins and Princeton Universities who have recently made a thorough study of the labor problem in this country. Under this system of governmental investigation the government, upon hearing of a dispute will at once send a commission to investigate the dispute and after a complete study the commission will hand down an award or recommendation in at least thirty days after the dispute arises. The award will be given general publicity in order to bring public opinion to a focus upon the dispute in question. There are no penalties attached to this system, both parties retaining their power to lock out or strike as they see fit. The time limit is given in order that both parties may know when a just recommendation given by the government will be turned over to them. During this time neither side will suffer extensively and with public opinion focused upon the dispute it will be impossible for either to strike or lock out. Then after the handing down of

the award public opinion crystalized and enlightened by the impartial investigation and published award, will compel the parties to come together.

The Negative have held the Affirmative plan up to three definitive criticisms tonight. First, That it is impracticable; second, It fails to secure the maximum continuity of service; and third, It has failed wherever it has been tried. Now let us hold the Negative plan up in the same light.

Practicable. Now a plan of governmental investigation will be practicable because it does not attempt to do the impossible. Compulsory arbitration we have seen cannot be worked out, because it cannot compel the acceptance of the awards by law. The Negative plan on the other hand does not attempt to enforce awards by means of penalties, but relies upon the influence of public opinion, properly encouraged and properly enlightened.

Governmental investigation will secure the maximum continuity of service. The Affirmative plan will not secure this continuity of service because where its penalties can be enforced, by their enforcement it drives men out of the industry and breaks the continuity of service; where the penalties prescribed cannot be enforced their plan will in no way improve existing conditions and a disrespect for the law will follow. Where the penalties are actually enforced and the continuity of service thereby broken, there will be created a positive antagonism to compulsory arbitration. The inevitable result of the creation of either disrespect or antagonism for the law is going to be a weakening of the influence of public opinion. The Negative plan on the other hand will have the encouragement and respect of public opinion because it does not prescribe penalties which for the most part are unenforceable, and which when they are enforced by their very enforcement break the continuity of service to which the public is entitled. Public opinion enlightened and unhampered is the only effective agency for handling a problem of such great dimensions, and the Negative believe that public opinion will be given a greater play under governmental investigation than under compulsory arbitration.

Thirdly; Governmental investigation has been successful wherever it has been tried. Out of the thirty-two states which have passed conciliation and arbitration laws nineteen have systems of state investigation and they are proving successful—nar-

rowing their own field of operation. That governmental investigation has been a success may be attested by the fact that its adoption was urged upon Congress in 1915 by the Commission on Industrial Relations, a commission of experts appointed by the President, which carried on the most exhaustive and thorough-going study of industrial conditions in the United States that has ever been made.

Making clear the issues of this debate we see on the one hand the Affirmative plan is impracticable because it cannot be enforced and on the other hand the plan of the Negative is practicable because it includes no penalties and will work out.

Second: The plan of the Affirmative fails to secure the maximum continuity of service for its very enforcement would break the continuity and in the majority of cases where it cannot be enforced it does not alter existing conditions and the resulting disrespect for the law weakens public opinion. On the other hand the Negative plan will secure the maximum continuity for it brings an enlightened and effective public opinion to a focus on the dispute.

And lastly the Affirmative plan has failed wherever it has been tried. It failed in the South Sea Islands, and the compulsory feature of the plan has failed in Canada. While the Negative plan has worked out and is working out wherever it has been tried.

Hence, the Negative contend that a system of compulsory arbitration in interstate public utility labor disputes should not be adopted in the United States.

FIRST NEGATIVE REBUTTAL

Harold G. Sandy, Iowa

The gentlemen of the Affirmative, in arguing for compulsory arbitration, have based their case on an analogy drawn between the ordinary civil court and the compulsory arbitration court. Now let us take a concrete example and see just where the Gentlemen's argument fails. Suppose that Brown contracts to build a house for Jones. If, during the construction of the house, Brown and Jones get into a dispute and Brown strikes Jones on

the head with a hammer, Brown can be justly brought before a court. Or, if Brown fails to build the house according to specifications provided by the contract, Jones can bring suit against Brown and collect damages. But, if after the house is built, Brown offers Jones $5000 for the property and Jones will not sell for less than $7000, there is no court in the world that can compel Jones to sell his house for $6,000, or Brown to buy it for that sum. The same thing applies to a labor dispute. If labor strikes, it can justly be brought before a court because under compulsory arbitration a legal wrong has been committed. But the purpose of compulsory arbitration is to prevent strikes by settling disputes. Now suppose that 1000 workmen are receiving two dollars per day, and they ask their employer to give them four dollars per day. The workmen and the employer cannot be brought before a court to determine the wage of labor any more justly than can Brown and Jones to determine at what price Jones must sell his house to Brown. Compulsory arbitration instead of being in accordance with the principles of civil law, is contrary to the very basis of jurisprudence, because the purpose of all law is to redress wrongs.

Furthermore, the decree of a court is always either fines or imprisonment for any ordinary wrong. Now the Affirmative in their plan of compulsory arbitration have provided that if workmen refuse to accept the award of an arbitration court they must lose their licenses to work for a public utility concern. Aside from the fact that this is not analagous to civil court procedure, such a method of enforcement would really be absurd. The Gentlemen have failed to take into consideration the fact that enforcement by means of a revocable license would be so impracticable that it could never be worked out. In the first place, it would be necessary to issue a license for every public utility worker. Think of the absurdity of issuing a license for a man who helps dig a ditch for a public utility concern. Licenses are issued to men who are more or less skilled, and who receive high wages. When a man goes to the harvest fields of the Northwest, he takes a license which enables him to operate a threshing engine, because in that way he can earn more money than he can by pitching bundles. Yet, tonight the Gentlemen of the opposition are arguing for a plan that would make it necessary for every man, no matter how unskilled or how poorly paid,

to have a license before he can work for a public utility. Just think of the absurdity of such a proposition.

But, in the second place, suppose that every public utility worker has a license, will fear of losing that license compel him to accept an unsatisfactory award? Obviously it would not. In regard to the many workers in public utilities who are receiving scarcely a living wage, the sake of being able to work for a public utility concern would be no inducement to work under conditions that were not satisfactory, because other concerns offer employment that is just as good, if not better. In regard to the skilled workmen, they realize that the government would not dare revoke their licenses. Suppose a dispute occurred between the railway brotherhoods and the railway corporation, which the arbitration court decided in favor of the corporation; and 400,000 engineers and firemen refused to accept the award. The government would not dare to drive them out of the industry because there are no other skilled workmen who could take their places. Both the employers and the general public would be opposed to such action. Thus we see that fear of loosing a license would not compel labor to accept an unsatisfactory award and thereby compel men to work against their will.

Thus far in the debate the stand of the Negative has been:— (1) Compulsory arbitration is impracticable for in most cases the award of the board cannot be enforced; (2) In those cases where it can be enforced, it defeats its own purpose by breaking the continuity of service; (3) It has failed wherever tried; and (4) a plan of governmental investigation offers a better solution for the problem.

SECOND NEGATIVE REBUTTAL

W. E. C. Hutcheon, Iowa

Thus far in the debate, the Affirmative and Negative are disagreed upon four distinct propositions: (1) that compulsory arbitration is analagous to the civil court, (2) that compulsory arbitration can be enforced with any degree of success, (3) that compulsory arbitration will secure justice to the unorganized

employees of public utility corporations, and (4) that compulsory arbitration will secure the maximum continuity of service.

The first speaker for the Negative has already pointed out that the purpose of law is to redress legal wrongs, that a legal wrong under compulsory arbitration is a strike or a lock-out, but that it is the purpose of compulsory arbitration to prevent that wrong rather than to remedy it after the strike or lockout actually occurs.

He has also pointed out that the plan of the Affirmative regarding enforcement by means of a revocable license is impracticable since the success of a license depends upon such conditions as skilled employment and high wages—conditions which do not exist in public utility employment at the present time.

Now let us consider for a moment the question as to whether compulsory arbitration will secure justice to the unorganized employees. President Higgens of the Australian Arbitration Board, Harvard Law Review, Vol. 29, p. 13, says that it is inconceivable to think of compulsory arbitration without organization. Prof. Barnett of Johns Hopkins University says that organization is necessary to that degree which will provide for the collection of funds from the members in order that the prosecutions before the arbitration boards can be financed. Prof. Carlton of Albion College also says that organization is necessary for compulsory arbitration. Both teams tonight have pointed out that employees of public utility corporations are prevented from organizing by the use of the black list. Since the use of compulsory arbitration is dependent entirely upon an organization and, since organization is being prevented at the present time in the majority of public utilities, how can compulsory arbitration secure justice to the unorganized? It is self evident that any remedy which cannot be employed cannot secure results. Thus when compulsory arbitration is dependent for its success upon organization, and since this organization is prevented, compulsory arbitration cannot secure justice to the 80% of unorganized employees of public utility corporations.

Nor will compulsory arbitration secure the maximum continuity of service. Let us recall the classification of disputes as outlined by the Negative tonight. After eliminating those disputes which are settled by voluntary methods, we have the disputes with which compulsory arbitration must deal divided into

three classes:—(1) Those that are settled by the indirect pressure of mere public opinion, (2) those in which the awards can be enforced, and, (3) those in which the awards cannot be enforced. Technically speaking, under the plan of the Affirmative, all awards can be enforced since the Affirmative merely intends to take away the licenses of those employees which refuse to abide by the decisions of the arbitration boards. Will this method of enforcement secure the maximum continuity of service? Enforcement by such a method will have the same effect as enforcement by means of a fine or imprisonment—it will drive the men out of industry. Take for example the case of the locomotive engineers of our American railways. Suppose that these men refuse to abide by the awards of the arbitration board. If the law is to be impartial, the government must revoke the licenses of these men in the same way as they would revoke the licenses of the ordinary day laborer. What will be the result? The only men that can operate our locomotives are forbidden from doing so. Continuity of service can only be secured by the continuous operation of these locomotives. Enforcement of the awards by a revocation of the licenses of the engineers will not secure the maximum continuity of service, but will rather defeat this purpose by preventing future employment. Thus we see that the government will not dare to adopt such a radical method of enforcement. The employees will realize this fact and will disrespect the compulsory arbitration law. If it is enforced, however, the general public will become antagonistic towards this law for it defeats its own purpose. This creation of disrespect and antagonism will result in a weakening of public opinion.

Thus far in the debate the Affirmative have pointed out only one or two strikes that have occurred in public utilities. This means that public opinion at the present time is settling the majority of our industrial disputes in this field. The stand of the Negative is simply this. We do not dare to adopt any method which will leave us in a worse condition than we are at the present time. The mere enactment of a compulsory arbitration law, and the failure of this law to secure results, will weaken the enforcing body which is peaceably settling practically every dispute at the present time. It is absurd to consider the adoption of any system which will destroy our present efficient methods. Compulsory arbitration as outlined by the Affirmative must

weaken public opinion. As public opinion is gradually weakened, fewer and fewer disputes will be settled by its indirect pressure, and more and more disputes must be submitted for enforcement by the revocation of a license, a process which defeats its own purpose.

The Negative contends that compulsory arbitration should not be adopted because, (1) it is impracticable, (2) it defeats its own purpose, (3) it has failed wherever tried, and (4) governmental investigation is not open to these objections.

THIRD NEGATIVE REBUTTAL

T. F. McDonald, Iowa

The Affirmative have pressed upon us tonight the argument that compulsory arbitration is the next and logical step in labor legislation in the United States. Clearly the Affirmative have made the wrong analysis of the case when they make this contention for they are legislating at the cause rather than the result. Statistics show that 86% of the strikes in this country are caused by disputes in regard to wages, hours, and the recognition of unions. Then clearly the only way to avert strikes is to remove the causes. The Affirmative have cited the Adamson Law as nothing less than compulsory arbitration and credit it with the averting of a nation wide strike in 1916. Again they have erred in their analysis. The Adamson Law had no penalties connected with it, it contained no compulsion on the part of the employees, it simply said to the railways of the United States that if you operate you must pay to your employees a certain wage for an eight hour day. Thus we see that the Adamson Law was nothing more than the removing of the cause of strikes. Hence the next and logical step is the removing of the cause of strikes and not the strike itself. This is shown by the fact that every country that has adopted any form of compulsory arbitration has first eliminated the questions which the Adamson Law was intended to remove.

Now let us see where we are in this debate. The Affirmative and the Negative agree that there is a need for some kind of a remedy. We both agree that reason should take the place of

force. We both agree that there should be an investigation of all disputes by the government. We both agree that there should be an award handed down. We both agree that public opinion is the great law enforcing power that will settle the maximum number of disputes. But the Affirmative and the Negative clash on whether there should be compulsion in those disputes which public opinion will not settle. The Affirmative contending that there should be such compulsion and the Negative that a properly enlightened public opinion is the best remedy.

The Affirmative have brought forward a plan of compulsion backed up by a license system of enforcement which the Negative have shown is impracticable and fails to secure the desired result—continuity of service in that where it is enforced, by its very enforcement, it breaks the continuity of service and where it cannot be enforced it will in no way improve the existing conditions and hence a disrespect for the law will follow and this disrespect will weaken the influence of public opinion.

The Negative have brought forward a plan that has the encouragement and respect of public opinion, a plan which does not involve any penalties which for the most part are unenforceable and when enforced drive men out of industry and thereby break continuity.

Then placing before you the issues of this debate we find the Affirmative plan is impracticable because it cannot be enforced and on the other hand the plan of the Negative is practicable for it includes no penalties and will work out. The plan of the Affirmative fails to secure the maximum continuity for its very enforcement would break the continuity and in the majority of cases where it cannot be enforced it does not alter the existing conditions and the resulting disrespect for the law weakens public opinion. On the other hand the Negative plan will secure the maximum continuity for it brings an enlightened and effective public opinion to a focus on the dispute. And lastly, the Affirmative plan has failed wherever it has been tried. It failed in New Zealand and Australia. The compulsory feature of the plan has failed in Canada. While the Negative plan on the other hand has worked out and is working out wherever it has been put into operation.

Hence the Negative contend that a system of compulsory arbitration in interstate public utility disputes should not be adopted in the United States.

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CHAPTER V

FEDERAL REGULATION OF INDUSTRY

GEORGE WASHINGTON UNIVERSITY

RESOLVED, *That the war time scope of federal regulation (in principle) should be permanently established for times of peace.*

This is the report of the speeches made by the debating teams representing George Washington University, Washington, D.C. The speeches of the Affirmative team were given in a practice debate with the Negative team, in the expectation of concluding arrangements with another college for a public debate. This was unfortunately prevented. The Negative team, whose speeches are here reported, debated against Washington and Lee University, at Lexington, Va., on April 20, 1918. This report of the speeches and the bibliography have been made from manuscript furnished by the debaters, through Homer Hoyt, a member of the Negative team. Briefs and a part of the bibliography have been supplied by the editor.

BRIEF

FEDERAL REGULATION OF INDUSTRY

Affirmative

Introduction:

A. The close of the present war will bring a greater struggle—an economic war.
B. We shall then have to face problems of adjustment.
C. As in times of peace we should prepare for war, so now is the proper time for discussion of the resolution that
   1. The war time scope of federal regulation (in principle) should be permanently established for times of peace.
D. By this resolution is meant
   1. That in order to obtain maximum efficiency for the nation as a whole in times of peace, we must recognize the present centralized control of industry as a principle to be continued uninterruptedly at the close of the war, the details of such control to be a problem of administration.

I. There has always existed, and will exist in a greater degree after the war, a need for the present scope of federal regulation of industry.
   A. Government now exists, not as a burden upon the people, but for their convenience.
      1. The day of exploitation of the masses is past.
      2. The government guarantees equal rights and opportunities to all.
      3. The government must be made safe and democratic.
   B. Government is now vested in the federal government rather than in the states.
      1. Our internal problems, growing force of business interests, and expanding foreign policy have made us a nation rather than a group of states.
         a. The interests of the whole people are involved in the consideration of these questions.

C. Negative pre-war regulation of industry was a failure.
   1. Regulation was not successful until it became positive.
D. Many of the conditions that have made federal regulation necessary during the war will continue after the war.
   1. There will probably be shortages of food, fuel, etc., and consequent high prices.
   2. Wages will be lower.
   3. The law of supply and demand has proved inadequate.

II. It is democratic for the American people to continue the war-time scope of federal regulation of industry after the war.
   A. Freedom of political opportunity, which is guaranteed by the Constitution, necessarily involves freedom of industrial and financial opportunity.
      1. It is the duty of our government to control industrial and financial conditions so that equality of opportunity may be had for all.

III. It is practicable for the American people to continue the war-time scope of federal regulation of industry after the war.
   A. The scope of federal regulation has been extended wherever individuals could no longer meet the conditions, or began to take advantage of the privileges allowed them.
   B. Regulation has succeeded where it has been enforced.
      1. Prices have been regulated and supplies have been made accessible to all on equal terms.
      2. It has proved possible to prevent hoarding, to stimulate production, and to regulate transportation.
   C. Federal regulation would be helpful in settling labor disputes.

IV. It is not urged that regulation be continued in all details, as at present—only that the principle be accepted.
   A. The details of regulation can be settled as problems arise and conditions make necessary.

V. This proposition is not a negation of democracy.
   A. Control will be vested in Congress through which representation is secured to the people.

Negative

I. Under the war-time scope of federal regulation, the Federal Government
   - A. Is operating the railroads.
   - B. Has assumed monopolistic powers over foods, fuels, fuel oils, natural gas, fertilizers, etc.
   - C. Is regulating prices and consumption of many commodities.
   - D. Has power to take over and operate the coal mines, regulate transportation, and to finance industries and enterprises in the United States essential to the prosecution of the war.
   - E. Can regulate industrial activity, commerce, and enforcement of the law in any state without regard to the rights of the state.

II. This control is necessary to meet special conditions which will cease when the war is ended.
   - A. Troops, supplies, munitions, etc., had to be moved safely and without delay.
     1. This made necessary unity of railroad operation.
   - B. The great and sudden increase in the demands upon America for food and war materials has made regulation of prices necessary to prevent profiteering.
   - C. Conservation of food necessary to feed our army and our allies has made necessary the regulation of production and consumption.
   - D. The control of imports and exports is necessary
     1. To bring pressure to bear on neutral countries.
     2. To prevent the shipping of supplies in secret to the enemy.
     3. To save shipping space.
     4. To reinforce the system of price regulation.

III. This is not the time to devote to consideration of our policies after the war.
   - A. Democracy is fully occupied now with the problems of the present hour.
   - B. Problems of reconstruction should be deferred until peace is secured.

IV. The war-time scope of federal regulation should not be established permanently for times of peace because it is subversive of the fundamental principles on which our government rests, and makes for despotism.
  A. A fundamental principle of our government is that the legislative, executive, and judicial powers are to be separate and independent.
    1. Under such a government our people have enjoyed greater freedom from arbitrary governmental compulsion than perhaps any other people.
    2. This condition should be perpetuated.
    3. To continue the present course would be to perpetuate in America a real autocracy.

V. The exercise of the present war-time powers of the Federal Government in times of peace will result in inefficiency.
  A. Government operation of railroads has not succeeded in times of peace.
    1. It has not been a success in Europe.
    2. The Intercolonial Railroad of Canada has not been a financial success.
    3. It is dangerous because of its political influence.
  B. Government operation of railroads is unnecessary.
    1. Legalized pooling would provide all the benefits of unified operation.
  C. Price control can better be secured through the natural operation of the laws of demand and supply.
  D. Government control of labor, through compulsory arbitration, is undemocratic, and has not been successful in times of peace.
    1. It succeeds only so far as the awards are favorable to labor.
  E. Government control of all business would be dangerous in times of peace.
    1. It will crush states' rights and local self-government.
    2. It is inefficient and will entail heavy taxes on the people.
    3. It will check initiative.
    4. It lends itself to abuse by politicians.
    5. Good men cannot be secured as now to carry out government control.

FEDERAL REGULATION OF INDUSTRY

GEORGE WASHINGTON UNIVERSITY

SPEECHES PREPARED BY AFFIRMATIVE TEAM, GEORGE WASHINGTON UNIVERSITY

FIRST AFFIRMATIVE

C. A. Miller, George Washington University

This gigantic struggle that is now raging in Europe is going to end—when, we know not, but end it will—and when the end comes we will be at the beginning of a still greater struggle—an economic war. We are bound to be confronted with problems of adjustment—problems which demand our attention now, not after the war is over, for then it will be too late. Just as we should in times of peace prepare for war, so in times of war we should prepare for peace. That is why *now* is the proper time for the discussion of this resolution:

RESOLVED, *That the war time scope of federal regulation (in principle) should be permanently established for times of peace.*

Our national government is passing through an era of sweeping and important changes, so that we should lay aside our bias and strong feeling and give calm and dispassionate consideration to this question.

Let us analyze this resolution and see what its real meaning is. We find the generally accepted term of war time scope of federal regulation means the control by the central government of those industries necessary to give the maximum efficiency to the nation as a whole. In principle means that we must recognize this centralized control over industry for efficiency. And here, Ladies and Gentlemen, let me say that it is the principle only with which we are concerned tonight, because how main-

tained are matters of detail, and have no place in this discussion. In principle means simply the extension of the field that has come about since the beginning of the war, and the extension is in the form and not in the minute details. Permanently established for times of peace means that it should continue uninterruptedly at the close of the war, with the minute details changed as conditions change.

So that the resolution in substance is that in order to obtain the maximum efficiency for the nation as a whole in times of peace we must recognize this centralized control over industry and continue it uninterruptedly at the close of the war, the minute details being a problem of administration.

Is it needed? Is federal regulation democratic? And, is federal regulation practicable? We answer all these questions in the affirmative.

It shall be my purpose to show you that there existed prior to the beginning of the war, and will exist in a still greater degree after the war, a need for this war time scope of federal regulation. My Colleague will show you that it is both democratic and practicable.

Gone are days when there existed that curiously persistent idea that the federal government must always be kept from doing something which it was about to perpetrate. We are developing in the place of that old idea a new thought—a progressively democratic thought—that the government is to perform a great and ever increasing amount of public service for all the people.

We are no longer to believe that the government is like the air, to be noticed only when bad. Hereafter it is to be a convenience and not a burden. It is this belief in the greater usefulness of government that has created this demand for efficiency which can come only from the centralization of the control over industry.

The gentlemen of the Negative do not agree with us that this centralization of control over industry is the best means of obtaining the maximum amount of efficiency for the nation as a whole, so that they must now, do one of two things, they must say that they want to continue the old laizez-faire policy under which any one could grab all he could get, or they must propose something new in its place which they must explain thoroughly.

The day of exploitation is past. The old laissez-faire system under which any one could grab all he could get at the expense of the people has been succeeded by a new democracy which gives equal rights and opportunities to all. This the government guarantees, these it needs to give it the national strength required of it at all times. There is a new meaning for democracy in America today—it means that we must realize our responsibility for our fellow men. We must not only make the world safe for the democracy we are fighting for, but we must make democracy safe for the world. To do this we must have the control over industry centralized.

Let us see why this control should be centralized in a strong federal government as opposed to having it exercised by the various states.

We can best do that by showing you why this control was originally vested in the states rather than in the national government.

Our government was founded on the old theory of checks and balances, that is, every authority, officer, etc. should have some other authority which would check their power and prevent it from becoming absolute or despotic. This was because our forefathers were mostly Englishmen. That was a theory inspired by fear,—a fear of oppression.

From the day of the adoption of our Constitution to the present time there has been a titanic struggle between the state and the nation as to which should control, and, happily, victory has been with the nation. As we have progressed we have seen the fallacy of that struggle which was caused primarily because of the petty jealousies of the states. One state wanted to get ahead of the other, and that is the way it ran. We have now left behind those petty jealousies of the states and have become Americans, and our sympathies and interests lie with the whole people rather than with any section or state.

What has brought about this change? It has been caused by the magnitude of our internal problems, the expanding force of our business interests, and our growing foreign policy. The farmer, the banker, the manufacturer, and the cotton grower have found that their interests, although located in different parts of the country, were closely intertwined. Business has refused to be confined within bounds and has reached out

to include whole sections and districts, located in more than one state, and when all the sections were brought into close business relations with each other the knell of state sovereignty was sounded, and the supremacy of the union became inevitable. The nation was first. We have come finally to accept this centralization of control over industry as a part of our form of government. We have come to recognize that it is for the nation to control, and not for the state.

I have shown you that it is for the nation to control when the interests of the people as a whole are involved. I will now show you that this need of the war time scope of federal regulation in principle was not brought about solely by the war. That a need for such regulation existed prior to the beginning of the war.

Regulation is of two kinds, positive and negative. Prior to the war we had practiced the negative regulation. We had adopted as our slogan "Thou shalt not." Corresponding to the three stages of popular sentiment on trusts, we have had three kinds of corporate regulation.

First, we thought that since the trust thrived on secret rebates and discriminations granted by the railways, if these could be prevented the trusts would be destroyed.

This caused the passage of the act to regulate commerce, more popularly known as the Interstate Commerce Act, in 1887.

In the second stage the people thought that the act of combination itself was an evil and should be prohibited by law, so Congress gave us that famous Sherman Anti-Trust Act, in 1890.

Then as we progressed and reached the third stage of our regulation we acknowledged that this combination was a sound economic form of business and that its chief evil was over-capitalization or stock inflation, which led to the federal laws of 1903 and 1909 to expose this evil.

The Sherman Anti-Trust Act and the laws of 1909 and 1913 failed of their purpose, and in 1914 we made a really progressive step in the solution of these difficulties by the creation of the Federal Trade Commission, with a jurisdiction over the commercial and trading companies roughly similar to that of the Interstate Commerce Commission over carriers.

We have therefore shown you that the negative pre-war regulation failed to meet the needs, and it was not until positive

regulation was created that we took a progressive step. We now propose to continue to have this positive regulation after the war in order to meet the after-the-war demands for production, for distribution, to allow collective buying, to meet the demands of the laboring party, and for our national defenses.

For production:

We have assumed, and will continue to hold after this war is over, many new responsibilities, not only to the people of our own nation, but to the peoples of other nations. The United States will be the fruitful garden to which the eager eyes of Europe will be turned, and the economic theories, such as the law of supply and demand, which are purely Utopian in character, must be abandoned, and an industrial defense must be provided in the same patriotic spirit that prompts our steps in military preparedness.

Under this new democracy the government should insure to its people the necessary food, fuel, clothing, and other necessities of life. To do this we must have a greater control over production, and we cannot have this greater control unless it is centralized.

When we see a famine or a shortage in any particular commodity facing the nation the government should have the power to put on a stimulus and meet that need. This we can do under this war-time scope of federal regulation, and get results.

For distribution:

We have seen railroads running side by side fighting tooth and toe nail, and cutting each other's throats so to speak, yet there was no remedy because there was no legalized pooling. We have read of as many as 72 million eggs being placed in storage until a famine was caused, with the resulting high prices, and then these eggs were placed on the markets and sold at these high prices. We have seen food riots while food was being wasted, and fuel famines when there was plenty of fuel, and why? All because we lacked the control over the distribution of these commodities.

Even in times of war when every one is or should be patriotic we find cases of aggravated hoarding of food, and who would say that this would not exist in times of peace? We can prevent

this with this war time scope of federal regulation, and we should have it to take care of our problems of peace times.

For collective buying:

When this war is over there will be four strong contenders for the commerce of the world, no matter what the outcome of the war. These will be the United States, England, Germany and Japan.

To meet the conditions of this economic war England has already taken steps whereby the commodities needed by the entire British Empire, that is Great Britain, and all her possessions, will be bought by a strong central body. The needs of the nation as a whole will be looked after, and not the needs of the individual parts thereof.

Germany with her highly organized industrial efficiency is planning to practice this same sort of buying, in fact she has been doing this since long before the war began.

Can we compete with them in this struggle under those conditions with a fair chance of getting our share of the world's trade unless we have the interests of the nation as a whole carefully looked after? We must have this same sort of system. To show that it is beneficial one has to look only to the results obtained by that far sighted bunch of North Dakota farmers who formed the Farmer's Co-operative Alliance of North Dakota. By this system of collective buying they reduced the cost of their commodities one-third to one-fourth according to Congressman Baer, who is a member of that Alliance.

To meet the demands of the laboring people:

From all parts of the country we have heard the cry of the laboring man. Because of the exploitation of the laboring man by these unrestricted private monopolies, which monopolize on necessities, he is under an unbearable burden. The old law of supply and demand has failed to meet the situation. We cannot afford to neglect the cry of these laboring classes, and in order to efficiently eliminate the burdens now imposed on them we must have a centralized control over industries.

For our national defenses:

Our national defenses are wholly dependent on the production and distribution of supplies, and in order to have a strong national defense we must have control over these.

You may call this proposition autocratic, you may call it despotic. Call it anything you will, the proposition remains the same. You can't hurt a good thing by calling it by a bad name. We are only proposing to extend the principle of a scope of regulation and we would do this with our present form of government. What we want is the scope and the principle, the rest are matters of detail.

Having shown you that it is for the nation to control those affairs affecting the people as a whole, and that there has existed before the war and will continue to exist after the war a need for this war time scope of federal regulation in principle, my Colleague will show you that it is both democratic and practicable.

We submit that when you have power to exercise this centralized control, and it is needed, democratic, and practicable, it should be extended.

SECOND AFFIRMATIVE

Charles M. Randall, George Washington University

As my Colleague has outlined, I shall endeavor to prove that it is both democratic and practical *in principle,* for the American people to continue the war time scope of federal regulation.

In some of the modern nations the conception of the general good has been that the few may have great business prosperity, in which those high in government should participate, and that the general mass should participate therein to the extent of having enough to eat and to wear and to live in a manner consistent with their class.

This nation, however, was conceived in exactly the opposite conception of the uses and purposes of government. Freedom in political opportunity, which is guaranteed by the Constitution, necessarily involves freedom in industrial and financial opportunity. Absolutism or tyranny in an industrial or financial way is as abhorrent to our conception of government as political absolutism. Monopoly is industrial and financial monarchy. It is the negation of democracy. The necessary corollary to the inalienable right to the "pursuit of happiness" is freedom in in-

dustrial opportunity. This government, dedicated to equal opportunity under the law for all men, would be an empty shell and would betray its promise to mankind if under the guise of democracy it permitted industrial or financial oligarchy to control its destinies and the welfare of its people.

The supreme law of the land is the welfare of the nation at large, the welfare of the American people in general. It is the duty of the national government to aid the people of one section of the country in getting those things which another section produces, when it needs them, and at prices that are legitimate. It is the duty of the federal government to aid the people of the West, in getting coal from the coal regions of the East, it is the duty of the federal government to aid the people of the East, in getting food from the West, when they need it and at prices that are fair. It is the duty of the federal government to aid the people in the transportation problems, because the country is no more divided into sections which are independent of each other in any manner. We have the great industries of one part dependent on those of another part. I say to you, Honorable Judges, if the federal government does not control these naturally national conditions, who will?

The federal government has exercised this war time control only because there was a necessity. As my Colleague has showed you this necessity existed before the war and will exist after the war. It was absolutely necessary that the government take control of those functions which it has under this war time scope. Everyone of these conditions which made it necessary, have existed at periods prior to the war, thus we have every reason to believe they will exist after the war. Everyone here can recall food shortages, fuel shortages, and illegitimate prices. In the pre-war period, how were these remedied? Supply and demand took its course. Those who could afford it, got the necessities, others did without. What was this remedy under war time scope? The national government grants relief by better distribution, and by some kind of regulation on outrageous prices.

If this system of war time control can pull us out of one of the greatest catastrophes that we were ever thrown into, if it can solve conditions which resulted from causes which existed in prewar times, and will exist in the future, I say let the principle of that control continue.

I know it is bothering the Negative as to just where we intend to place this control after the declaration of peace. I say to them, we do not intend to place it anywhere this evening. When peace is declared that power will be in the Congress of the United States, and they indirectly will control that power wherever it is. We are not concerned this evening whether it is granted to the President, an administrator, a commission, or a board, but we are concerned with the continuance of the principle of this regulation, by whatever authority Congress sees fit to continue it. We are concerned with continuing that principle which gives relief, when relief is needed.

Our worthy opponents will tell you that we cannot see into the future, nor should we legislate in time of war for times of peace. We do not claim that we can foresee the very conditions, the very necessities, but we *must* look into the past, take into consideration the present, and then prepare for the future. Did the signers of the Declaration of Independence foresee the exact consequences, did they see into what they were about to plunge those small thirteen colonies. Did the framers of the Constitution foresee the great work they were accomplishing, and the great nation they were providing for? Did Abraham Lincoln foresee the awful problems ahead of him when he emancipated the slaves? I answer each of these in the negative. I contend that none of these men would have reached the fame that they have, had they not acted at critical moments, always planning for the future. They acted, they met conditions, used their own wisdom as to the future. When you get away from that principle you are lost. When the American people can not trust the placing and overseeing of that control in the Congress of the United States, I say their democracy is gone.

In conclusion Honorable Judges, I say as long as this government is of the people, by the people, and for the people, we of the Affirmative maintain that, that government should give each section of those people an equal chance, no matter what section they live in, or whether they be rich or poor.

Let us now turn to the question of whether it is practical to continue this so-called war time federal control.

Every branch of the federal control and regulation was taken over when individuals could no longer meet conditions, when individuals began to take advantage of the broad economic princi-

ples allowed them. This was the history of the food situation. This was the history of the fuel situation. This was the history of the transportation problems. This was the history of the industrial problems. Thus the Food and Fuel Administrations, Director General of Railroads, War Trade and War Shipping Boards resulted. These bodies came into existence to help regulate and control those commodities upon which the whole nation depended, to aid the American people to get food when they needed it, to stimulate production of necessities when needed, and to protect the people from the price manipulator. The government is aiding the people of the country in general, it is controlling those things which the nation must always have, and must always be within the reach of everyone.

I say to you, Honorable Judges, it is practicable for the national government, to say to the coal producer and dealer when there is a scarcity of coal, you cannot do entirely as you please with your commodity, *because* the whole country is dependent on you. The government has a duty to say to the dealer, you cannot sell all you wish to the wealthy man simply because he can pay your price, simply to heat a forty-room house, when it is impossible for his poorer neighbor to buy it. The government owes that weaker man a chance to buy at least enough to sustain life, and at a fair price.

It is practicable for the government to say to the grocer with regard to necessities, you cannot sell all you wish to any favorite person, and thus prevent the unfortunate from obtaining the very bread of life. The government owes that protection to those people who make that government.

It is practicable for the government to stimulate production of those things which are necessary for our existence. For the government when there is a shortage, or over-supply to prevent the manipulator, the speculator from stepping in, and either by hoarding, cornering, or some other foul method from bleeding the nation. That is industrial anarchy, that is financial monarchy.

It is practicable for this government to regulate the transportation problems, so that the East, the West, the North, the South can keep in communication, for they are no more sectional.

It is practicable for the national government to step in and settle labor disputes, which threaten the nation in some aspect.

In the first six months of 1914, there were 658 strikes in the country, in the first six months of 1915 there were 646 strikes. We have but to look back to the recent Colorado strike, the bloody Calumet Copper strike. We have but to look back at the great railroad strike that threatened the country in the first part of September, 1916, when every line east of Chicago threatened to be tied up. Nothing short of some kind of federal control and arbitration can remedy those conditions. 322 strikes have been settled by the Board of Conciliation.

Under federal regulation two million acres that were never under cultivation were planted with wheat. Seven million more were planted than the previous year. Under this regulation flour dropped from $15 to $10.50 a barrel. The producer was protected at the same time, from the speculator causing the bottom to fall out of the market before he harvested his crop, from the cry of big crop and over-supply greeting his ears, and compelling him to sell below the cost of production.

We of the Affirmative believe that this federal control should continue, because it was not only a necessity before the war but will be after the war. We believe that the Congress of the United States is capable of placing a check on that regulation so that it shall always be used to the benefit of the people. We believe that we have proved to you that this regulation has brought results, the results desired, and at a time when they were needed. Out of every great calamity comes a blessing, the Revolution gave us a nation, the Civil War preserved that nation, and this struggle will make this nation a purer democracy.

FIRST AFFIRMATIVE REBUTTAL

C. A. Miller, George Washington University

Ladies and Gentlemen: The question which we are debating this evening reads "Resolved, That the war time scope of federal regulation (in principle) should be permanently established for times of peace." Our opponents have debated this question as though it read "in detail" instead of "in principle."

The first speaker for the Negative devoted a great deal of his time in laying before you an elaborate plan or sketch of just

how this federal regulation would work, and attempted to show you that it was autocratic, socialistic, and not adaptable to this country. Now, Ladies and Gentlemen, you cannot spoil a good thing by giving it a bad name. A rose by any other name would smell as sweet. So that you cannot hurt this plan by calling it a bad name. What is autocracy? It is simply the power of life and death as exercised by the Kaiser, and this plan has nothing to do with any such thing.

After attempting to show you what the detail of federal regulation is as applied to war time, the first speaker went on to say that this war time scope of federal regulation was due entirely to the needs occasioned by the war, and that after the war it would be unnecessary.

While the war undoubtedly caused this war time scope to be extended to a few things that would not have been required for peace times, yet even in war times we find many cases of prosecution for hoarding of food, fuel, etc. If people do this in times of war will they not do it to a greater extent in times of peace, with the resultant shortage, and consequent high prices? And, it must be remembered that wages in times of peace are not so high as at present.

The gentlemen of the Negative say that combining legislative, executive and judicial functions in the executive alone, the government is running the railroads. This is not the case. The President, the Director General of Railroads, and the Interstate Commerce Commission have all stated that the functions of the Interstate Commerce Commission were in no wise changed by the government operation of the railroads. Too, it must be remembered that this is government operation we are speaking of, and not government ownership. Just as an illustration of some of the economies instituted by the government operation of the railroads we cite you to Washington where fourteen city ticket offices have been consolidated into one, where you can really find out something you desire to know.

Our opponents dwell upon the fact that twenty-eight million men of the world have been withdrawn from the fields of productive activity, and that there has been a sudden and increased demand on America for food, munitions, etc. Yet, they do not consider that many millions of these men will not return to fields of productive activity, and that there will even after the

war be need for federal control. Perhaps to not such an extent as now, but this question reads that the principle of the war time scope of federal regulation shall be permanently adopted for times of peace, and does not say that every detail of it shall be adopted.

The first speaker for the Negative made the statement that we should keep ourselves free from petty despotism which would come from vesting final discretion to regulate individual conduct in the hands of lesser officials, and we should not tolerate a supreme autocrat. Ladies and Gentlemen, we are not proposing to tolerate any such thing. Our proposition is simply to place in the hands of Congress, who represent the people themselves, this regulation we are advocating.

He asks this question, "Shall we, while sacrificing our all in men and material wealth, to make the world safe for democracy, now perpetuate in free America—a real autocracy?" We say, in reply, that we should not, but the men who are fighting for us in France should not return and find the same nation they left. They should find that we have made it a better nation, so let us perpetuate this principle of federal regulation.

SECOND AFFIRMATIVE REBUTTAL

Charles M. Randall, George Washington University

Ladies and Gentlemen: If you were to believe that the proposition we are advocating here tonight would lead you to where the honorable gentlemen of the Negative would have you believe it would lead you, indeed you might have some apprehension as to its efficacy. But, you need not have this fear. The honorable gentlemen of the Negative remind me of the story of the groundhog that comes out of his hole, sees his shadow, gets scared at it, and goes back in again, without even considering whether there is any real danger.

The Negative are the groundhog. Because this proposition was not expounded by Jefferson, Franklin, Madison, and their other ideals, and is a bit new they think the question is dangerous and after a hasty glance crawl back in their hole without giving it consideration.

The second and last speaker for the Negative points with satisfaction to the Intercolonial of Canada as an example of government operation of railroads. Ladies and Gentlemen, the Intercolonial of Canada was a government owned railroad, and not a government operated railroad. The Speaker did not mention the fact that the Railroad Administration had "fired" the high-salaried railroad presidents, thus effecting another economy. The Speaker further stated the inefficiency of the Intercolonial was due to political log-rolling, building fine stations for Congressmen, etc. Would any of you suggest the discontinuance of the governmental operation of the postal service, just because your Congressman succeeded in getting a new post office built in your city?

The Gentleman also raises the question of the law of supply and demand. Had the law of supply and demand been an adequate solution, there would have been no need of governmental regulation. But that law so completely fell down that there was no other recourse than for the government to regulate these things. After this war, the economic war we are facing will emphasize to a still greater degree the need of this governmental regulation as applied to war times.

In closing we wish to remind you, Honorable Judges, that the Affirmative are not required to discuss the details of this question, because it is only the principle of this proposition that is being debated.

The Affirmative have shown you that the proposition as advocated by them is not only necessary now, but will be necessary to a still greater degree after this war, and in successfully waging the economic war that is bound to follow the one in which we are now engaged. We have shown you that the need for this regulation existed prior to the war, so that it is not, as claimed by the Negative, a war measure, for which there will be no need after the war.

We have shown you that it is a democratic extension of the power vested in the people, and that it is a protection to the people. We have shown you that with the governmental operation of railroads we are getting the benefits without the abuses.

We have shown you that there are outstanding above everything else five great reasons why this principle should be continued, namely, Production, Distribution, Commerce, Labor, and the National Defense.

Ladies and Gentlemen, and Honorable Judges, before we use all our energy and money to make the world safe for democracy let us make democracy safe for the world. Our proposition will go further toward accomplishing that end than any other. Let's continue it. Thank you.

Negative Speeches in Debate against Washington and Lee University

FIRST NEGATIVE

Louis M. Denit, George Washington University

Mr. Chairman, Honorable Judges, Worthy Opponents, Ladies and Gentlemen: Whenever the world undergoes a great disturbance like war, with its attendant intellectual storms, there are thrown into the stream of thought fantastic theories, and unsound philosophies, of government. The gentlemen of the Affirmative have found one of these theories, which men really used to believe in—but which all people who have seen the light have long since discarded—and calling it forth as "Greater centralized control over industry" they offer it as a panacea for all that affects the body politic. The power which regulates industry regulates the conduct of the individuals who engage in it, and therefore centralized control over industry involves at the same time centralized control over the individuals engaged in industry. Both sides agree that the federal government should exercise some control over industry. The precise question is what degree of control shall be exercised, and how. The Affirmative contend we should establish greater control than we now have, and that it should be centralized in the federal government. In this wise, is it just, is it American, is it necessary, is it practicable?

1. It is possible to understand a principle only by a careful scrutiny of its application. As permanently establishing the war time scope of federal regulation for times of peace means the recognition and establishment of greater centralized control, I propose to show, first, what the war time scope of federal regulation is; second, that it was devised to meet temporary needs,

due to the war, and that after the war it will be unnecessary; third, that it is untimely; and lastly, that it is subversive of the fundamental principles on which our government rests and makes for despotism.

(a) On the 28th of December last, the government assumed control of the great transportation lines of the country, and with the Secretary of the Treasury as Director General began to operate them. Under recent legislation the President was authorized to make agreements with the railroads with reference to compensation during the period of government operation. To one class he is authorized to guarantee an annual compensation equal to their average annual operating income for the three years prior to June 30, 1917. To another class he is authorized to make a "just" compensation, which he and the railway heads may agree upon—a just and reasonable compensation for the particular case. This is a judicial function vested in the Executive. He is authorized to initiate rates, classifications, and regulations by filing them with the Interstate Commerce Commission and these rates shall not be suspended by the Commission until after final hearing, a privilege never extended to the railroads. They could initiate rates which would become effective only after their approval by the Commission; the President may initiate rates which are operative until set aside. In short, it might well be said the President can fix rates absolutely. For whenever he makes a rate he can certify to the Commission his reasons therefor, together with his recommendations in the premises, and the Commission is bound to give them consideration. Bear in mind, the members of the Commission are appointed by the President—how many of them would override his recommendations and set aside a rate which he might fix. So, combining legislative, judicial, and executive functions in the executive alone, the government is operating the railroads. The continuance of this centralization of power the Affirmative approve.

(b) Under the Food Survey and Food Administration laws the Government has assumed monopolistic power over foods, feeds, fuels, fuel oil, natural gas, fertilizers, and the manufactured commodities needed for their production. It has fixed the price of wheat, a number of times. It has said wheat shall be sold here, and it shall not be sold there. It issues orders fixing

the profits millers shall receive upon the business of milling flour and feed. It precribes a standard loaf which the bakers are required to sell, and the standard loaf is sold to us under such regulations and in such quantities as the Food Administration may direct. It has fixed the price of sugar, and prescribed the conditions under which it may be purchased. Under the same enactment the President is empowered to sell for cash at reasonable prices, wheat, flour, meal, beans and potatoes, and the Food Administration at Washington has power to fix the prices of all these articles of food. Through the Fuel Administration, the Government regulates prices, regulates production, regulates distribution, regulates the methods of sale of coal and coke. Like the Food Administration the Fuel Administration was created by the President for the purpose of exercising the powers vested in him by the Food Administration Act, and its regulations take the form of presidential proclamations. Here again the Executive is vested with legislative powers, to fix rates, to regulate methods of sale; judicial powers, to determine whether there has been a violation of the regulations which he has made, and this is also centralized control.

(c) We have other forms of regulation. Every now and then the Food Administration enjoins the consumption of wheat. "Five days a week you may eat wheat, but Monday and Wednesday shall be wheatless days, and you must use a substitute." And wheatless days had hardly become the fashion when another order went out throughout the land, crossing the lines of the several states, establishing a "Meatless Day." So the Government tells you what you must eat, and when to eat it, and the Affirmative pretend to like it.

(d) We have a Federal Exports Council of four, all appointed by the President, which determines what articles may be exported from our country. Licenses are required for the shipment of any article of commerce, and this council has power to grant special licenses practically at its discretion. Imports are likewise regulated, and whenever by the importation of wheat the guaranteed price of $2.00 a bushel is likely to be endangered, the President has the power to fix an import tax, large enough to prohibit all importation. By these means we regulate exports and imports—four men acting for the President control the nation's exports and imports and thus arbitrary power regulates

prices and the economic forces of supply and demand are cast into the discard. And the principle of it the Affirmative must defend.

(e) Under the Food Administration law the President is authorized to take over and operate the coal mines at his discretion and regulate wages and the conditions of labor therein. He has taken over factories, he can commandeer distilled spirits in bond or in stock, and regulate the redistillation thereof. This is more of the centralized control the Affirmative desire.

(f) By the Priority Act the President is authorized whenever he finds it necessary for the national security to grant preferences and priorities in transportation by any common carrier, by rail, water, or otherwise, and any carrier complying with the preference he names, is exempt from all liabilities, civil or criminal, otherwise imposed by law, for compliance with the same. He can order priorities and preferences in manufacturing establishments of certain war materials, whenever he deems such action necessary. The Priorities Board which he has created may feed Nevada and starve the people of the Shenandoah—they can order coal to Palm Beach and freeze North Dakota and similar acts of wisdom they may direct in manufacture. And the Affirmative must defend this.

(g) And last, but not least, we have the great War Finance Law. It forms a capstone for all those regulatory measures which I have just enumerated. A great and powerful corporation is created, having a capital stock of $500,000,000, all of which is subscribed by the United States, and paid for in cash with money drawn from the Federal Treasury. Through the Secretary of the Treasury and four others appointed by the President, this huge fund is to be used for the purpose of providing credits for industries and enterprises in the United States essential to the prosecution of the war. It regulates the issuance of securities and through its power to grant or withhold credit may make or break industrial enterprises at will. This, Honorable Judges, is a skeleton of the war time scope of federal regulation and it illustrates the application of the principle of centralized control which our opponents would have us continue forever. It comprehends all phases of industry-production, distribution, transportation, manufacture, finance, everything the individual may do is controlled by the Government. Individual

activity within the state, commerce within the state, enforcement of police laws within the state, without regard to the rights, interests or needs of local communities—these are being controlled by the Federal Government. It operates railroads, fixes prices, makes freight rates, licenses or refuses to license exports, imports, or domestic businesses; it grants priorities and preferences in transportation and manufacture; it commandeers private property; all these and a host of other powers are now being exercised by the Federal Government through the Executive alone. The laws providing for them are expressly declared to be war measures by the legislative branch of our government, and in each of them there is provision made that the act shall be repealed soon after hostilities cease, showing that the very officers who now exercise this power are opposed to its continuance in times of peace. Thus leaving the gentlemen of the Affirmative alone in their support of this resolution.

Greater centralized control was devised to meet temporary needs, due to the war, which will not last after the war. Troops, supplies, munitions, coal, everything needed for our forces as well as those of our Allies, had to be moved safely and without delay. For this unity of operation was necessary. Unity of operation of the railroads under private control was impossible because pooling was illegal, and therefore, government operation was the only resort. 28,000,000 men have been withdrawn from the fields of productive activity. There has been a great and sudden increase in the demand upon America for food and war materials. These have made government regulation of prices necessary to prevent profiteering—and the resulting injustice to the individual consumer and to the Government in provisioning our fighting forces. Loss of food and materials through submarine sinkings, mounting to millions of tons, the ever-increasing drain upon Europe's productive workers, and the consequent decreases in production there—together with but an average year in our crops at home, demanded conservation, because we must feel and clothe not merely our own troops but the troops and peoples of our allies as well. There are many reasons for the control asserted now over exports and imports. First, as a political measure to bring pressure to bear on neutral countries; second, to prevent the secret shipment of supplies to the enemy; third to save shipping space—so vital in this great strug-

gle; fourth, to concentrate all efforts in the shipment of war materials; and lastly, to reinforce the system of price regulation; for it can readily be seen what ruinous consequences would follow the importation of wheat below the price guaranteed by law. All of these causes, Honorable Judges, result as I have shown you, from the war, and will therefore disappear after the war. So that it comes down to this—the war time scope of federal regulation was devised to meet temporary needs arising out of war. When war is concluded the needs will no longer exist, therefore it would be unnecessary to continue the war time scope of federal regulation in times of peace.

Moreover this is no time to adopt a policy so far reaching in its effect as that proposed by the Affirmative. The mind of our people is devoted to the great task of the day, sufficient in itself to demand the serious deliberation of a united people. Democracy is fully occupied now—questions of reconstruction, of governmental policies for times of peace, must wait till peace is secured; when calmly and deliberately we can devote our attention to them, with full knowledge of the conditions under which they are to operate.

And finally, the war time scope of federal regulation should not be established permanently for times of peace because it is subversive of the fundamental principles on which our government rests, and makes for despotism. Having in mind the sad experience of the ages, immediately confronted then, as we are now, with the arbitrary acts of a despotic government, our fathers wrote a constitution based on the theory that the legislative, executive, and judicial powers were to be separate and independent. The Legislative shall make the laws, the Executive shall enforce them, and the Judiciary shall declare them. Under such a government our people have enjoyed a greater freedom from vexatious intermeddling and arbitrary governmental compulsion than perhaps any other people in all times. Despotism has found no place among us because we have been subject to no restraint save the impartial restraint of the law, which has thus far stood superior to the will of any official high or low. And this should continue. We should keep ourselves free from the petty despotism which comes from vesting final discretion to regulate individual conduct in the hands of lesser officials. We should never tolerate a supreme autocrat. And yet the Affirma-

tive would continue in times of peace powers in the Executive which he exercises in time of war. Liberty, Honorable Judges, consists in the right to do whatever the law does not forbid, and this presupposes laws made in advance—so that the individual may know before he acts, the standard to which his acts must conform and interpreted and supplied after the act by disinterested authority, so that the true relation to one another of the conduct and the law may be clearly ascertained and declared. It is therefore of the utmost importance that the authority which interprets the law should not be the authority which makes it, and the authority which enforces the law, clearly should not be the authority which makes it. The legislator is concerned with the question—is the proposed law just in its general application. The official who administers it has nothing to do with the abstract question of justice—he is concerned in determining whether it has been violated. To confer upon the same man, or body of men, the power to make the law and also administer it—as I have shown you is done in the case of the railroads—food—fuel—and all those objects mentioned—for you remember they are all in the hands of the executive—inevitably results in despotic government by substituting the shifting frontiers of personal command for the boundaries of general impersonal law. "The spirit of encroachment" said Washington in the Farewell address, "tends to consolidate the powers of all the departments in one and thus to create—whatever the form of government—a real despotism." Shall we, Honorable Judges, while sacrificing our all in men and material wealth, to make the world safe for democracy, now perpetuate in free America—a real autocracy?

SECOND NEGATIVE

Homer Hoyt, George Washington University

My Colleague has shown that the war time scope of government control has vested practically unlimited power in the Federal Government. It will be my purpose to show that the exercise of the present war time powers in times of peace by the Federal Government will result in inefficiency.

There are four vital positions which the Affirmative must establish this evening: four great cases which mark out the war

time scope of governmental powers as actually exercised. First, there is the government operation of railroads; second, is the government control of prices; third, is the government control of labor; and fourth, is the government control of all business through regulation of imports, exports, capital, labor and transportation. The burden of establishing that government control is efficient in these four respects is upon the Affirmative, but we of the Negative will point out the task that confronts the Affirmative in meeting that burden.

Let me take up the consideration of the first issue: Government operation of railroads. We contend that government operation of railroads is a failure in times of peace. I wish I had the time to read to you even a summary ofthe volumes that have been written to show the inefficiency of government operation of railroads on the continent of Europe. Time will only permit me to point to the results of an experiment in government operation of railroads right here in America under conditions identical to those which have existed in the United States before the War and which will exist after it. The Intercolonial Railroad of Canada has been operated by the government for forty-seven years, and during that time has not paid a cent of taxes, not a cent of interest on the investment, and its earnings have even fallen $9,500,000 short of paying expenses of running the trains. If the Intercolonial had paid the normal rate of interest on its investment, its deficit would have been over $14,000,000 in 1915 alone, or $360,000,000 during its checkered history. Remember, Honorable Judges, that this deficit must be met by taxation, and that the great masses of the people pay when government operation fails. The Intercolonial Railroad of Canada was built at a cost of $219,000 a mile. It could have been built by private enterprise at a cost of $65,000 a mile, so that $154,000 of public money has been thrown away along every mile of that railroad. If the railroads of the United States had been built in the same benevolent fashion, they would have cost the American people over $40,000,000,000 more than they are worth. Yet the Affirmative contend that government operation is a blessing to the common people.

It is not the mere fact that the Intercolonial Railroad of Canada and many other government operated lines have failed in times of peace, but the fundamental reason for that failure

that is significant. The inefficiency of the Intercolonial Railroad of Canada was due to political log-rolling just as the inefficiency of our government during times of peace has been due to the pork barrel. The Intercolonial Railroad earned no dividends because politicians built magnificent railroad stations in every village along the line just as Congressmen in this country have been known to secure appropriations for marble post offices. The Intercolonial Railroad of Canada was a burden on the tax payers because the employees were not trained railroad men but political henchmen and the number of these employees was unnecessarily large especially just before election. The people of Canada had to make up the deficit caused by the building of expensive branch lines and terminals to the homes of the Canadian politicians just as the people of the United States have had to pay for deepening rivers and harbors and, in one case, for even lengthening a river in order that Congressmen might have transportation facilities by water. The masses of the people paid for the free passes, the cut rates on freight shipments given to influential members of Congress and their friends.

The pork barrel was the prime cause of inefficient government in America before the war. Can the Gentlemen assure us that the pork barrel will not be resurrected after the war? Even now the danger that the railroad will become a political machine has been suggested. An end man in a minstrel show inquired: "How they gwine to elect McAdoo president?" The answer came: "They're gwine to railroad him in." Ladies and Gentlemen, when a few thousand votes decided the last election, it is unnecessary to remind you of the power that 1,700,000 railroad employees could wield, especially when their jobs depended upon it, a power so great, that Australia has disenfranchised employees on its government operated lines.

Government operation of railroads is not only dangerous, but it is entirely unnecessary. The only justification for government operation was to secure a device for operating the railroads as a single unit, the only obstacle in the way of operating all railroads as a single unit is a clause in the Interstate Commerce Act prohibiting pooling; the only thing necessary to remove this obstacle was to allow legalized pooling under strict government regulation. Legalized pooling was what the railroads requested, legalized pooling was what was recommended by the Interstate

Commerce Commission instead of government operation and legalized pooling would have secured all the benefits without any of the disadvantages of government operation of railroads. Moreover, would it be fair for the Federal Government to make it illegal for the railroads to unite and then make their failure to unite—their refusal to violate the law—the excuse for government operation of the railroads after the war? Government operation of railroads is the first burden the Affirmative must assume in this debate. So far they have not met this burden but if they have any reason in favor of operation which they are willing to submit to the test of argument, we ask them to raise such objections in their next rebuttal speech so that we may have an opportunity to reply.

The second pivotal issue in this debate is price control. In order to establish any need for government fixing of prices, the Affirmative must prove that the fixing of prices by demand and supply is inadequate and unjust. What is this law of demand and supply which the gentlemen of the Affirmative have so politely ignored this evening? Demand and supply is simply the natural method of regulating prices. The competition of rival producers keeps prices from going too high, the desire of consumers for the goods keeps prices from falling too low and the result is that market prices are fixed at a point high enough to allow the producer his expenses of production—but not high enough to allow him an exorbitant profit; low enough to give the consumer goods at almost cost, but not so low that producers must operate at a ruinous loss. Thus this law of supply and demand controls the prices of the thousands of articles that are bought and sold on the market so that justice is meted out to laborers, farmers, business men and consumers. All this extensive machinery controlling prices costs not a cent to operate or maintain and never needs to be repaired.

On the other hand nobody has yet succeeded in constructing an artificial system of controlling prices that would work. A price fixed by law higher than the market price taxes the consumer to pay an exorbitant profit to the producer; a price fixed by law lower than the market price taxes the producer and curtails production. Only when the price is equal to the market price is it exactly right.

Are these economic principles borne out by the facts in the

case of wheat and coal? Why, even in times of war, when the act of Congress fixing the price of wheat, is aided by embargoes on wheat, the sale of substitutes for wheat, wheatless days, the licensing of bakers, and the planting of wheat by the farmers as a patriotic duty—measures which would make almost any act of Congress a success, it cannot be said that the price fixing entirely succeeded. In fact, Congress by proposing to raise the price of wheat to $2.50 a bushel, admits that its first experiment in price regulation failed.

Government control of wheat prices has been unsatisfactory, because it holds down the income of wheat growers, while their expenses of production are rapidly rising, the cost of farm machinery having doubled and wages having tripled in a year. This situation, bad as it is even for farmers on fertile wheat land has led to consequences far more deplorable in the case of farmers on millions of acres of dry western wheat lands that yield only 7 or 8 bushels of wheat to the acre. At the very hour, when our Allies would rather pay us $5 a bushel for wheat and get enough to sustain their morale than pay $2 a bushel for half enough, we must send them word that there are millions of idle acres in America that would have been planted to wheat had the price been high enough to pay for the expenses of cultivation. Yet, Ladies and Gentlemen, as you sit down to your wheatless meals and read that the bread ration of our Allies, as necessary to them as ammunition, has been reduced, you know that while the 1918 wheat average may be slightly larger than last year, it is not nearly so large as it might have been, and you know that there is no immediate prospect of anything but still further reductions in your bread rations, because Congress fixed the price of wheat. We ask for bread and they give us a statute fixing the price of wheat at $2 a bushel.

The price fixing of wheat has failed to give us a sufficiency of wheat. What has been the result in the field of bituminous coal? The Fuel Administration attempted to repeal the law of supply and demand by lowering prices arbitrarily. Immediately 19,000 operators were forced to close, because the government price was not enough to cover their expenses of production and the wages of the miners. Many other thousands of operators escaped loss only by palming off trash and poor coal on the consumer. Thus, at the very time, Ladies and Gentlemen, when you

were freezing, and when factories engaged in the production of war materials were being closed for lack of fuel, the output of coal was being shut off at the mine by government tampering with the law of supply and demand.

But if there is ever any occasion whatever, now or in the future, for interfering with the law of supply and demand by fixing prices, it is not necessary to jump to the conclusion that the government should fix prices. If any fixing of prices is to be done, should you not suppose that the producers in each trade, who are familiar with costs and trade conditions could do a better job of price-fixing than a body of legislators at Washington? We maintain that if there is any cause of dissatisfaction with the law of supply and demand, that we should allow business experts to fix prices in accordance with the needs of each trade, under government supervision, before consigning all power to initiate prices to a board at Washington.

The burden of proving the case for government control of prices is also upon the Affirmative. Thus far the gentlemen of the Affirmative have been discreetly noncommittal as to this fundamental issue. Again we ask them to meet us in their next rebuttal speech so that we will have an opportunity to reply.

The third pivotal issue in this debate is the government control of labor. The Government has established a war labor board with powers of compulsory arbitration, it has taken steps to prevent strikes in railroads and munitions, and in war where a strike may well be as harmful as desertion before the enemy, drastic measures may be necessary. But compulsory arbitration, the prohibition of strikes, is undemocratic and impracticable in time of peace. Compulsory arbitration was a grand success in Australia—as long as the awards were favorable to labor. When the awards are not favorable the men quit work, and there is no way of compelling them to work save by the bayonet. But even if you can force laborers to work by threat of jail, even if you command the body of labor, you cannot command his spirit. Sabotage is the weapon no employer can prevent even when labor is clubbed to its task. You cannot prevent men from dropping monkey wrenches in the machinery, from spilling sand in the sugar, from delaying orders.

This is the third issue upon which the Affirmative has failed to sustain their burden of proof and once more we ask them to

meet our objections against compulsory arbitration in their next rebuttal so that we will have opportunity to reply.

The fourth strategic position in this debate is the most important of all. For the direct operation of railroads, of shipbuilding, of woolen mills, powerful as they are, considered separately lead to consequences still more dangerous when linked up with the whole industrial situation of the country, and when coupled with other powers vested in boards at Washington. Do you realize, Ladies and Gentlemen, that a man cannot ship a pound of goods in or out of the country unless the War Trade Board at Washington gives its consent, that a business firm cannot get advances of capital unless it is on good terms with the War Finance Board which wields the control over the lending power of all the banks, that you cannot ship goods on the railroads of the country if the Transportation Board says no? If you understand this, then you will understand how this vast wartime power of the Federal Government reaches every business firm in the country, large or small. And thus a business which cannot secure capital, ships or transportation is helpless; it is at the absolute mercy of the boards at Washington, and remember that the boards which control the business of the country also control the individual.

It is significant to note how this vast power is exercised. This power to ruin businesses worth millions of dollars by refusing them advances of capital or licenses to ship goods is not exercised after a careful investigation and judicial hearing in which all interests have an opportunity to be heard, but summarily, often on ex-parte examination, without evidence of competent experts; decisions are made on any ground whatever and there is no appeal to the courts.

Do not misunderstand us, Honorable Judges, the Negative does not contend that this vast centralization of power will necessarily be abused when the whole nation is devoted to one paramount purpose, when the most able and patriotic men are in command and the searchlight of public opinion is turned upon every man who occupied an important post. But even if the exercise of this uncontrollable power did hurt individual rights in time of war, we would not condemn it if it were necessary for our national defense.

But the issue of the debate this evening turns on the question

as to whether the war-time scope of federal regulation will succeed in times of peace not times of war and we of the Negative contend that for the very reasons war-time regulation will succeed in war, it will fail in peace. It will fail in peace because the absolute power in the hands of the federal government will crush states' rights and local self-government. It will fail not merely because it is autocratic and despotic but because it is inefficient and the result of this inefficiency will be to burden the people with heavy taxes and make the people pay for the extravagance of government operation. The war-time scope of federal regulation will fail because it is in fact military control, it makes laborers privates and business men captains in a military organization, and the automatic obedience of the privates and lower officers that is so absolutely necessary in a military organization, checks the self-initiative and the inventive spirit of men in times of peace. The war-time scope of federal regulation will fail in peace, because it lends itself to abuse by politicians; vast predatory monopolies will be built on the basis of special concessions in railroad rates, or by juggling with priorities, and the very secret, insidious ways in which it can be done—merely by changing a classification of freight under the camouflage of tariffs and embargoes, will stimulate graft and corruption that will be hidden from the public eye. The war-time scope of federal regulation will fail in peace, because it cannot secure the services of successful business men at the war time rate of $1 a year and the men who are secured to run business will be selected because of political influence instead of business ability. The war-time scope of federal regulation will fail in peace because injustice, favoritism and pull will discourage the spirit of the nation, and stifle the hope of succeeding by honest effort. The war-time scope of federal regulation will fail after the war because no body of men short of omniscient beings can sit in Washington and judge correctly of the manifold desires of a hundred million of people, the needs of thousands of businesses in hundreds of widely different localities as well as experts acquainted with local conditions.

Finally, the war-time scope of federal regulation will fail in peace because military organization is by its very nature adapted for one purpose and only one purpose, and will utterly fail to meet the thousand conflicting purposes of peace times.

In short, all the specific evidence we have been considering this evening leads irresistably to the one great principle of this debate—the fact that the war-time scope of federal regulation is military control or martial law—and that an extension of such military control to times of peace would spell inefficiency and autocracy. Because we are fighting this war to destroy the curse of militarism, we ask that the militarism of the war-time scope of federal regulation be abandoned as soon as we win the war.

FIRST NEGATIVE REBUTTAL

Louis M. Denit, George Washington University

Honorable Judges: The gentlemen of the Affirmative have contended that the permanent establishment of the war-time scope of federal regulation (in principle) for times of peace will make for national unity and strength, and also the efficient control of industry for the benefit of the individual consumer. We of the Negative welcome the issues they make and will meet them on their chosen ground.

National strength, Honorable Judges, depends upon the strength of the individuals who collectively make the nation. When you weaken the individual, by confining his activities and retarding his progress, you weaken the nation. On the other hand, when you allow him as large a degree of freedom for individual opportunity and activity as is compatible with the welfare of the national community, you strengthen the individual and make the nation strong. The war-time scope of federal regulation will not make for national unity and strength. It will pauperize individuals by taxation in order to maintain unnecessary offices for political lameducks, and lead to increased corruption in political campaigns. It will stifle individual initiative, and destroy individual enterprise by confining all, regardless of peculiar qualifications and special fitness, within limits as narrow as the agents which fix them. However capable, the American business man must conform to the regulations prescribed by the political visionary, or refrain from engaging in business. Will such an aggregation of pauperized individuals make a strong nation?

And, under the guise of national unity and strength, our opponents would forever cast aside local self government. Our land is inhabited by peoples from every section of the globe, who have their own peculiar customs, habits, and characteristics. Climatic conditions differ in different sections of the country. Industrial conditions vary, some sections are given over entirely to agriculture, others to manufacturing, herding, and so forth. Under local self government these considerations can be dealt with efficiently and satisfactorily, and the greatest possible freedom of individual liberty and opportunity afforded. Under the war-time scope of federal regulation individual activity everywhere is controlled by the federal government. This may well be in time of war when there is a common aim and purpose, but in normal times it is most undesirable.

"Little responsibility, then little power." This, Honorable Judges, is fundamental. We have reduced the responsibility of members of Congress to the minimum. Senators are responsible to their own states, representatives to their respective constituencies. Here the responsibility ends. Each member stands or falls by his own constituents, and by them alone. What accountability does a Senator from Wyoming, for example, feel to the legislature or people of Virginia? What does a representative from a Wisconsin district care for the interests or wishes of this Virginia district in comparison with interests or wishes of his own? If then, they feel no responsibility to the country at large, because there is none in fact, and therefore none to this congressional district, how in the name of justice can they be allowed to participate in the administration of your local government?

The second big point in this debate turns on price fixing by law. How efficient is that? In the Code of Manu—perhaps 200 years before Christ—we find this provision:

"The King shall set the price for the purchase and sale of all commodities according to the place of origin and destination, the profit of the seller and the needs of the purchaser, once in five days or a fortnight, the King shall publish the price of commodities in the market."

Honorable Judges, this comprehensive enactment has been resting in slumber for a long time. What the Hindus had sense enough to abandon more than 1900 years ago, the gentlemen of

the Affirmative now offer as something new—a sure cure for all economic ills.

In searching the dusty archives for the data on which was based his brilliant and lengthy discourse on economic conditions and their tendencies in Great Britain, I wonder if my worthy opponent did not mark the disastrous experiences of that country in price fixing by law? Did not he read of the attempt in 1307, after the Plague, to fix wages and prices of commodities, and the miserable failure of it? Did he not find a second unsuccessful attempt in 1812, directed to fixing the price of corn? All history, Honorable Judges, bears testimony to the failure of nations to legislate prices.

And our opponents have been discreetly silent as to how they would regulate prices. Would they follow England or the Hindus? Mark Twain tells us that Adam, when he came to name the different animals in the Garden of Eden hit upon the names by a very simple process:

"That creature looks like a toad. It hops like a toad. By George, I am going to call it a toad."

Perhaps our opponents would advocate the determination of prices in the same straightforward fashion; indeed they must defend it—

"Twenty cents a dozen sounds like a fair price for eggs. It is what we used to pay. It doesn't require any more energy to lay now than it did a hundred years ago, and the old hen is just as willing now as she was then. By George, twenty cents a dozen it shall be."

In conclusion, Honorable Judges, we have shown you what this war-time scope of federal regulation is, how it combines in one person, the President, powers that are legislative, judicial, and executive, contrary to the fundamental principles on which our government rests. We have shown you that this federal regulation the Affirmative want continued was devised to meet the peculiar needs of a war emergency and that it will be unnecessary after the war. We have shown you that now is not the time to adopt a policy for peace times so far reaching in its effect, when the nation is bending every energy to accomplish its one aim—the winning of the war— and further, conditions are so changing that what today appears to be a remedy for an evil

may tomorrow be a greater evil than the one it seeks to remedy. We have shown you not only that it destroys our political institutions and abandons those principles of free government to which the people of the entire world have bent their face, but also, more important perhaps than all the rest, it will not work under normal American conditions in times of peace and makes for inefficiency. Before entering upon so grave a matter as the destruction of our national fabric, with all its benefits, its memories and its hopes, would it not be wise to ascertain precisely why we do it? Will you hazard so desperate a step while there is any possibility that any portion of the ills you fly from have no real existence? Will you, while the certain ills you fly to are greater than all the real ones you fly from—will you risk the commission of so fearful a mistake?

SECOND NEGATIVE REBUTTAL

Homer Hoyt, George Washington University

Bear in mind, Honorable Judges, that this debate is not a question of no federal regulation versus some regulation, but the issue is between the normal peace time scope and the limitless war-time scope of governmental powers. The Negative is not contending against peace time regulations like the Interstate Commerce Act, the Federal Reserve Board, the Federal Trade Commission, or the Pure Food Act, all of which allow a large degree of federal control, nor are we in favor of standing still. We believe in progress along sane, conservative, American lines, and we propose in addition to the peace time scope before the war any additional peace time functions made necessary after the war.

We have now arrived, Honorable Judges, to the pivotal issues upon which this debate must turn. Remember that the Affirmative has the burden of proof in this debate and ask yourselves when the next speaker is addressing you whether the Affirmative is meeting that burden. By this time, the Affirmative should have established the success of government operation of railroads in times of peace; they should have proved that price-fixing by the government is efficient and practical; it was incumbent

upon them to prove that compulsory arbitration of labor disputes will guarantee freedom and fair wages to labor. The burden was on them to justify government embargoes on imports and exports in peace times, government control of credit and capital and to prove that commandeering of property in times of peace is necessary. But even had they proved all this, Honorable Judges, even if government control had proved to be efficient for peace—which we do not concede for a minute,—the Affirmative still had to show that the vast centralization of powers in the hands of the federal government is desirable and that states rights and local self government are undesirable. The Affirmative had to show also that the vesting of arbitrary and uncontrollable power in the hands of commissions and executives who act often without notice, hearing or any requisites of a fair trial will guarantee justice. The Affirmative was under the duty to prove that military control of industry would not lead to unfair discriminations, that it would not stifle initiative and invention, that it would not reduce every citizen to the status of a private in a military organization, that the vast power lodged in the hands of a few men would not be abused. Even if by any chance these points are established to your satisfaction Honorable Judges, you must also be convinced that it is fair for the government to make the war the excuse for seizing industry, whether the government which has gained this extraordinary power only by the sacred promise that it would be exercised for the period of the war only, should treat its agreement as a scrap of paper. This is the burden that rests upon the Affirmative—let us see how they have met it.

First they have admitted the argument of my Colleague that vast powers have been lodged in the hands of the Federal Government. The first point in our case has been proved.

Second, they have not attacked my contention that the wartime scope of federal control would be inefficient in times of peace. To our proof of the failure of the Intercolonial of Canada, to our evidence of log rolling, discrimination, political influence that has attended government control wherever it has been tried, their answer has been an eloquent silence.

In regard to our contention that price-fixing runs counter to fundamental economic laws, that it curtails production, disorganizes industries and increases the high cost of living, the

Gentlemen have been discreetly noncommittal; to our argument that war time control of labor means compulsory arbitration in times of peace, they have virtually admitted our contention. And when it comes to justifying the commandeering of property, the government operation of ship-building, woolen mills, etc. and the government control by embargoes, of every business—large or small—in this entire United States, the Gentlemen have simply admitted our whole case. When we reach the great fundamental principal that all these concrete facts establish, namely that the war-time scope of government control is military control and that this military control, however, successful in war when the whole nation is united on one purpose, is bound to fail under the diversified conditions of peace, the Gentlemen have produced no specific proof.

Yet these are facts, Honorable Judges, hard cold facts, and it is incumbent upon the Affirmative to meet them. The Gentlemen talk in vague terms of human welfare, yet we have shown that government operation costs the common people more than private ownership, that it increases the high cost of living, that it throws labor out of employment and denies it the right to better its conditions, that it guarantees exorbitant profits to some railroads, that it builds up monopoly, destroys initiative—in short that government ownership is by no means synonymous with justice and efficiency.

Time does not permit me to point out all the instances where the Affirmative has failed to meet our case, but let me take one conspicuous example. In spite of our proof, the Gentlemen continue to speak of the virtues of government operation of railroads as a method of drawing the fangs of monopoly and reducing exorbitant profits. Since the Gentlemen desire to make the case of the railroads an important issue, we will take time to put their contentions to the test. What are the facts? Simply these: government operation of railroads guarantees that the railroads will continue indefinitely to receive their average earnings for the past three years.

Ladies and Gentlemen, while you are receiving 4¼% on your investment in Liberty Bonds, the investors in the Pennsylvania and Minneapolis and St. Paul are receiving 12% on their investment, the shareholders in the Burlington get a meager 22%, the Philadelphia and Reading must worry along with a return of

only 26% on its investment, the poor Lackawanna must content itself with a pitiful 33%, the Duluth and Iron Range is limited to 38%, the Nevada Northern is allowed only 44%, the Panhandle must make both ends meet with a return of 64% on its capital, the Chicago and Erie can hardly maintain itself on its income of 70% on its investment, the Duluth, Missabe is actually subsisting on 114%, the Colorado and Wyoming cannot get more than 163% back on its capital each year, while you can imagine how the widows and orphans will wail when the directors of the Bessemer and Lake Erie announce that the dividends for the year are only 647%. The case of the railroads is not an isolated example. The evidence we have presented tonight shows that what is true of the railroads is typical of government operation everywhere.

We now stand at the parting of the ways. Apart from the merits of any academic discussion, we must choose which of two policies is best for the nation. We must choose between the war-time scope of federal regulation, which however efficient for war was not intended nor devised for peace, and the peace-time federal regulation under which this nation in a century of peace attained its present prosperity and greatness. We must decide between adopting war-time scope of federal regulation permanently, thereby binding ourselves and generations to come to keep the present form of government though the heavens fall, and the peace-time scope of federal regulation which erases states boundaries, controls every business in the country from a single center, moves individuals like automatons—powers which if not exercised with omnipotent wisdom will lead to corruption and inefficiency—and the peace time scope of federal regulation which through freedom stimulates every individual in the nation to his highest efficiency and thereby vitalizes the nation. The time for choosing has come. Gentlemen of the Affirmative, which do you choose? Ladies and Gentlemen, Honorable Judges, which do you choose?

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CHAPTER VI

MINIMUM WAGE

UNIVERSITY OF TENNESSEE

RESOLVED, *That the several states should create minimum wage boards with power to establish schedules of minimum wages in work shops, department stores and factories, constitutionality conceded.*

These are the constructive speeches delivered by the teams representing the University of Tennessee in the annual intercollegiate debates of the Southeastern Triangle, composed of the Universities of South Carolina, Florida and Tennessee. The Affirmative team, whose speeches are here reported, debated against the University of Florida, at Columbia, S.C., on April 20, 1918. The decision in this debate was four to one in favor of the University of Tennessee. The Negative speeches for Tennessee were delivered on the same evening, against the University of South Carolina, at Gainsville, Florida. The decision was two to one in favor of Tennessee. This report of the speeches was prepared from manuscript furnished by Mr. J. L. Highsaw, the Debate Coach. Briefs and bibliography have been supplied by the editor of this volume.

BRIEF

MINIMUM WAGE

Affirmative

Introduction:

A. In this hour when victory for our forces overseas depends so largely upon the work of our laborers at home it is essential that the health and efficiency of the laboring classes be conserved.

1. It is conceded that the greatest cause of lowered health and working capacity is low wages.

B. To overcome these evil conditions it is proposed that minimum wage boards be created to establish schedules of minimum wages in factories, workshops and department stores.

1. By minimum wage boards is meant boards composed of an equal number of representatives each from the employers, the employees and the public.

2. By a schedule of wages is meant a system of wages varying in different communities with the conditions of labor.

3. By a minimum wage is meant a wage below which no employer is allowed to pay his workers, but above which he may pay as he chooses, a wage which will insure the laborer and his family a normal and decent scale of living.

I. The minimum wage is necessary in factories, workshops and department stores.

A. The entire laboring class is in a chronic state of malnutrition, resulting primarily from low wages.

1. Low wages cause poverty, overwork and overcrowding which result in disease and physical degeneracy.

B. Low wages are one of the principal causes of vice and degeneracy.

C. Low wages create a general unrest among the laboring classes.
   1. Forty percent of all strikes are due to low wages.

D. These conditions are due to the inequality in the bargaining power of the unorganized laborers and their more powerful employers.
   1. They mean to society a loss in the impairment of the productive efficiency of its workers, and in creating a class of workers who are a burden to society.

E. Employers will not better the conditions.
   1. The State must act to secure public welfare.

II. The minimum wage is the most practical remedy for bettering the conditions of the workers in factories, workshops and department stores.

A. It strikes at the root of the evil conditions and removes the cause—low wages.
   1. It has been the result where the minimum wage has been tried.

B. It will benefit succeeding generations of laborers.
   1. It will give the workers better opportunities to adequately support and educate their families.
      a. Future generations will thus be better equipped both physically and mentally.

C. It will be a benefit to society.
   1. The burden of charity will be lightened.
   2. Labor conditions will be stabilized and industrial unrest reduced.
   3. It will provide for the welfare of future generations by preserving the health of the mothers.
   4. It will reduce crime and promote civilization by raising the standards of living of the workers.
   5. It will take children out of industry and reduce infant mortality.

D. The minimum wage has been successful where it has been tried.
   1. It has stood the acid test of experience in Australia for twenty years.

2. It has been extended in England to an increasing number of industries.
3. Eleven states in the United States have adopted the minimum wage and have put it into practical operation.
4. In no country where it has been tried has the law been repealed.
5. In no case has it operated to hamper industry and in most cases there has been a decided advance in wages.

NEGATIVE

I. The minimum wage for factories, workshops and department stores is unnecessary.

A. In the great majority of cases these workers are getting a living wage.

1. Those who are not are for the most part inefficient, lazy and unambitious, or partial supporters only of families.

B. Poverty is due mostly, not to low wages, but to unemployment, immigration, sickness, old age, intemperance or lack of thrift.

1. Creation of minimum wage schedules will tend to increase rather than decrease these evils by reducing the competent to the levels of the inefficient.

C. Under present conditions, and those which will follow for the next decade at least the workers in these industries will be able to take care of themselves without artificial support.

1. Labor power is already scarce and the economic laws of supply and demand will cause wages to continue to reach higher and higher levels.

II. The minimum wage is unsound in theory.

A. It will increase the problem of the unemployed.

1. It will throw out of employment those whose efficiency is not up to the standard of those entitled to the fixed wage.

2. It will attract more foreigners to our shores, the vast majority of whom congregate in our congested centers thereby increasing the problem of unskilled labor.

B. It will take away the initiative and incentives of the laborer to advance himself.
   1. Employers will be forced by competition to lower maximum wages in order to pay a higher minimum wage.
   2. It would be human nature for the ambitious man to fall into the rut with the inefficient.

C. It will increase prices.
   1. This will reduce the real wages of the workers.

III. The minimum wage is impractical in operation.

A. It is inelastic and so unadapted to the varying industrial and living conditions in the different sections of our country, and to the competition that would result between the states.

B. It cannot be enforced.
   1. Both capital and labor would evade the law when possible.
   2. Many of the foreign immigrants would not obey the law because they would not understand it and because they can live so much more cheaply than American laborers.

C. Conditions in the United States are vastly different from those in Australia.
   1. Our industrial organization is complex and covers a vastly larger number of industries and laborers.
   2. Our population is exceedingly heterogeneous.
   3. The United States is individualistic rather than socialistic in its political philosophy.

MINIMUM WAGE

UNIVERSITY OF TENNESSEE

Affirmative Speeches in Debate against the University of Florida

FIRST AFFIRMATIVE

J. R. Clayton, Tennessee

Mr. Chairman, Honorable Judges, Ladies and Gentlemen: The hour is at hand, when this Nation, as it has never before, realizes how much depends upon the work of its laborers, in factories, workshops and department stores. Prussianism and autocracy must be defeated with brawn and muscle, and the workers in workshops and factories are as essential to victory as the soldiers upon the field of battle. Therefore, the conservation of strength, becomes a vital problem, the greatest problem of the hour, for upon what they do depends the liberty, prosperity, and happiness of all future generations. That their strength, health, and working capacity have been greatly reduced by low wages, is the common knowledge of all authorities upon the labor problem. In legislative halls, in the press, in the pulpit and even on the debater's platform it is freely acknowledged that seventy-five percent of the workers in America in factories, shops and department stores receive less than a living wage; that they are huddled together in our industrial centers, living in vile tenements, engaged in a fiendish struggle for animal existence; that they die by the thousands, from diseases caused by poverty and under feeding; that their infant mortality appalls the world; that notwithstanding the fact that the cost of living has doubled in the last three years, their wages remain practically the same—that these are the conditions, is the verdict of all authorities who have investigated the problem.

To remedy these conditions, to conserve the strength of these workers, to lower their death rate, and thereby save the man power of America, to save their little children from an untimely grave, to treat them as human beings, to rouse in their breasts, hope and ambition to rise higher and live better lives, to convince them that their government is looking after their welfare and that there is such a thing as justice in the world, to prepare them to do their full share in winning the war and saving civilization, we of the Affirmative come to you with the proposition, that

"The several states should create minimum wage boards with power to establish schedules of minimum wages in factories, workshops, and department stores constitutionality conceded."

We present the proposition as the necessary and most practical remedy for low wages and their resulting evils.

It is my pleasure to establish the issue, that the minimum wage in factories, workshops and department stores is necessary, while my honorable Colleague will establish the issue that the minimum wage is the most practical remedy for the conditions which now prevail among the workers in these industries.

Before we enter into a discussion of this question, let us come to a common understanding, as to what we mean by minimum wage boards, schedules of wages, and minimum wage.

By minimum wage boards, we of the Affirmative mean boards composed of equal representation of the employers, the employees and the public.

By a schedule of wages we mean a system of wages varying in different communities with the conditions of labor.

By a minimum wage we mean a wage below which no employer is allowed to pay his workers but above which he may pay as he chooses, a wage which will insure the laborer and his family a decent and normal living; a wage which will protect the laborers from conditions which have a pernicious effect upon their health, efficiency and morals.

I shall now establish the issue that the minimum wage in factories, workshops and department stores is necessary.

Under a recent investigation of the United States Factories commission, one hundred persons, connected with business, educational and philanthrophic organizations, were asked what they considered a reasonable amount to maintain a young man

or woman living independently. The majority said that from $8 to $10 is required in our cities to-day for simple decency and working efficiency. Mr. Frank H. Streightoff fixed $9 as a minimum, and yet, in a thorough investigation of the wages of labor in the United States, he found 92,000 male laborers working for less than $3 per week, 350,000 for less than $5, 1,000,000 for less than $8, 2,000,000 for less than $10, and 4,000,000 for less than $12 per week.

Howard B. Woolston, of the New York State Factory Commission, says regarding family standards that from $15 to $20 is a necessary sum to support a wife and three children; and yet, that fifty percent of the married men earn less than $15 per week.

In the candy industry in Massachusetts the Minimum Wage Commission states that forty-one percent of its adult women receive less than $5 per week, while the Settlement League of that state estimates the bare necessities of life for a single woman at $10 per week. The Commission of Labor of the State of Washington also estimates the cost of a bare existence at $10, and yet they found that sixty-seven percent of the women workers of that state got less than this amount.

And still more appalling is a recent report of the Bureau of Labor which says that three-fourths of the women workers in department stores, factories and workshops are not earning a living wage.

That these low wages necessitate a low standard of living that is undermining the health, efficiency and morals of the laborers is substantiated by another report of the Bureau of Labor which says that "low wages are the chief factor in determining the prevailing low standard of living."

These conditions lead to physical degeneracy both of the laborer and of his family. In a canvass of one hundred typical New York tenement families the New York Board of Charities found only thirty-seven able-bodied men. The Board of Health estimates that seventy-five percent of all the sickness and disease of the laboring classes is due to poverty, overwork and crowded conditions. And the Commission of Industrial Relations states that the vast majority of this poverty and these conditions are due to low wages. These conditions and diseases are handed down by the workers to their children who are neglected and

forced into labor as soon as they become of age; their bodies are dwarfed, their minds fouled and their health soon gone,—— resulting in a posterity which is far below their fathers in physical and mental efficiency. In short, according to the Medical Record, the entire laboring class is in a condition of chronic malnutrition, resulting primarily from low wages.

But this isn't all. The dreadful effect which these starvation wages produce upon the character of the laborers is still more appalling. In another statement of Mr. Woolston's he says, "This situation of a great multitude of underpaid working people has a direct bearing upon the growth of poverty, vice and degeneracy." The New York Investigation Commission states that the vast majority of the terrible conditions of poverty, disease and crime in our slums are due to low wages. Prof. Boies, in his book "Prisoners and Paupers" tells us that sixty-seven of the crimes punished in our penitentiaries are against poverty. Mr. Powntre's investigation shows that forty-three percent of the working population or twenty-seven of the total population of New York are living in poverty. We of the Affirmative do not claim that all poverty is due to low wages, but we do claim that part which can be remedied is due to low wages, and, according to the authorities I have just quoted, this part is the majority.

Another result of these low wages is that they create a general unrest among the laboring class. Richard T. Ely, the world famous economist, says that forty percent of all strikes are due to low wages. Frank P. Walsh, Chairman of the United States Industrial Relations, said that if he were asked what was the chief cause of the general unrest among the laboring classes, he would say low wages.

We have surveyed the general conditions as they exist through the United States. Now let us turn to our own states and learn the conditions which prevail in Tennessee, South Carolina and Florida. The average annual wage income of all workers in factories, workshops and department stores in Tennessee is $7.05 per week according to the most recent report of the Tennessee factory inspector, while the living minimum wage in Tennessee is now between $9 and $10 per week. This is the reason why State Factory Commissioner Mitchell has recommended to the next state legislature in his annual report, page 4, that the minimum wage be adopted in Tennessee.

In South Carolina the average wage of these workers is $7.00 per week according to the report of the United States Manufacturing Census for 1917. The conditions which have prevailed in the industrial districts of South Carolina are too well known to need repetition on this platform. South Carolina has the proud distinction now, of being the second state in the Union in textile manufacturing. She can do much to win the war with her industrial workers, and be it said to the honor of South Carolina that she has already begun a splendid constructive program of social betterment for her workers, a program which reaches its climax with the recommendation from her Commissioner of Commerce, Mr. A. C. Summers, that a minimum wage law be established for South Carolina. And doubtless Tennessee and South Carolina, the two foremost industrial states of the South will soon abolish the curse of low wages and join their eleven sister states in declaring "that the laborer is worthy of his hire." Florida being mostly an agricultural state has not as yet felt the need of supervising her industries, and due to the fact that she has not a state factory inspector, conditions there have not as yet become generally known, except for the fact that thousands of workers in her factories and especially in cigar manufacturies in Tampa and Key West are receiving less than a living wage.

Why do these conditions exist as I have described them, the answer is simple and clear, low wages, due to the inequality in the bargaining power of the millions of poor, weak and often times ignorant, unorganized laborers and their more powerful employers. What chance has a poor half starved woman, whose earning capacity is rated at $6 per week, in bargaining with a corporation worth millions. She must accept their meager wage or starve. This inequality in bargaining power is the cause for low wages, and no power can remedy this except the state. Says, E. A. Ross, the world famous sociologist, "The fact that only sixteen per cent of American male wage earners are protected by unionism, while the rest are obliged to deal single-handed with the employer, makes it imperative to do something drastic and do it soon."

Say Adam and Sumner, in their work "Labor Problems," "Wages vary enormously, frequently with no apparent reason but the greater or less need of the workers and their greater or less ability as bargainers."

Henry Seager and Richard T. Ely, both famous economists, maintain that all advance in the wage standard of labor is due to collective bargaining, and those who are unable to so bargain must accept the low wage.

The high death rate and enormous loss of adult power among these workers is a serious problem to society, but add to this the death of 300,000 children each year, little children who die under 5 years of age and you have a condition that becomes a national tragedy, and an unpardonable and inexcusable catastrophe. Three hundred thousand die because of the conditions which prevail in these industries. They are helpless and they cannot speak for themselves and their voices cannot be heard. In a long silent line they pass from the promise of life to the silence of death. The state must protect them, it must do all in its power to save them, for the sake of the future because they are the hope of America. Low wages are the basic cause of their misery and death. Establish the minimum wage under the plan we advocate and conditions will improve, their death rate will diminish. Society and the nation will be the great beneficiaries. This alone would justify the adoption of the minimum wage.

These are the conditions and facts and they mean to society a loss in the impairment of the productive efficiency of its workers and in creating a class of workers who are a burden to society. The employers will not better the conditions and the state must act in order to secure public welfare. For the sentiment of humanity, which received its first breath from Christ and which time has not been able to weaken, is not willing to permit that a man who is working should die of hunger, or that a man who is able and willing to be of service should look for work in vain. This is what the minimum wage means to prevent. Therefore we of the Affirmative present the minimum wage as a direct, logical and constructive means of striking at the cause of low wages; and I have shown you the conditions and evils which result from low wages.

My Colleague will now establish the issue that the minimum wage is the most practical remedy which the state can apply to better the conditions which now prevail among the workers in factories, workshops, and department stores.

SECOND AFFIRMATIVE

R. R. Miller, Tennessee

Mr. Chairman, Honorable Judges, Ladies and Gentlemen: My Colleague has shown you the conditions which make the minimum wage necessary, he has shown you that low wages are impairing the health, strength, and working capacity of seventy-five per cent of our workers in factories, shops and department stores. He has shown you that the foremost cause of low wages is the inequality in the bargaining power between these workers and the employer, that the poor, weak, and often times ignorant unorganized laborer, living only twenty-four hours from starvation, with a wife and children to support has absolutely no chance to secure what he is worth in the open market, from gigantic combinations of capital. The sacred command of Holy Writ that "the laborer is worthy of his hire" is not recognized by his employer. Therefore, he is reduced to the iron law of wages, that of mere existence, and forced to accept what he is offered and not what he is worth.

No power can remedy these conditions except the state thru its sovereign function of legislation, and I will now establish the issue that the minimum wage is the most practical remedy which the states can apply to better the conditions which now prevail among the workers in factories, workshops, and department stores. The minimum wage is the most practical remedy for these conditions for; first, it strikes at the root of the evil and removes the cause—low wages.

According to a recent investigation of the United States Bureau of Labor, it was found that in Australia, under the operation of the minimum wage law, the wages of the workers in factories and workshops were raised twenty percent and the efficiency of labor was increased thirty percent. In the boot trade, one of the most important industries in Australia, the increase in the average weekly wage for more than six thousand workers has been $3.50 per week, since the establishment of the law in 1896. In England in four years it has raised wages in four trades from fifty to one hundred and fifty percent. In Utah after the minimum wage law went into operation, according to Andrews' "Minimum Wage Legislation" page 43, 11,500 cash

girls and wrappers in department stores had their wages increased twelve and one-half percent. Laundry girls were increased from $6 to $7.50 per week. Says the Commissioner of Immigration, Labor, and Statistics for Utah, "I believe that the minimum wage law in Utah will give to its women workers a living wage." In the State of Washington the Wage Commission fixed $10 per week as the minimum for all department stores, this increased the wages of twelve thousand women on the average of $3 per week. According to the Survey for August 28, 1915, the wages of department store workers in the State of Oregon were increased twelve percent, after the passage of the minimum wage law. Says Dr. Towne in his famous book "Social Problems," page 91, "The minimum wage laws passed by the several states are the most important of all the recent legislation affecting the woman wage earner." Honorable Judges, you see now what the minimum wage has done for the workers in the countries where it is in successful operation. Let us suppose that all the states would adopt the minimum wage tomorrow, and that the same wage increases would be given as in the other minimum wage states, what would be the result? 104,000 department store workers would have their wages increased $4 per week, 92,000 factory workers would receive an increase of $5 per week, 350,000 factory workers would receive an increase of $3 per week, and 1,000,000 factory workers would receive an increase of $2 per week. All these workers in department stores and factories would receive an increase of $3,926,000 in one week, or $16,704,000 in one month, or $200,448,000 in one year. Do you doubt now, Honorable Judges, that the minimum wage will remove the evil of low wages? These are figures compiled by the United States Industrial Relations committee for the year 1917. How will this wage increase better the conditions of the workers?

It will benefit succeeding generations of laborers and is therefore a fundamental remedy. It will allow the father sufficient wage to adequately support his family and to educate his children. These children who form the future generations of labor will not only be properly clothed and fed, but will be given the advantages of education, so that the succeeding generations of laborers will begin their industrial lives stronger both physically and mentally. Charles M. Schwab, President of the United

States Steel Corporation, has recently said, that the future of America depends upon her workers, and that the time is at hand when triumphant world-wide democracy will place the responsibility of government upon the worker, because he constitutes the great majority of society. Therefore to meet this responsibility our far-seeing statesmen and leaders of public opinion have called for the adoption of the minimum wage. Says Lyman Abbot in the *Outlook* of two weeks ago, page 525, in discussing the Wagner Minimum Wage bill now pending before the New York Legislature, a bill which guarantees to the worker minimum earnings sufficient to meet the necessities of life, to maintain health and efficiency, modeled after the Oregon law, "The humane principle that a state by legislation may require that pay enough be given to insure the workers health, efficiency, and the necessities of life, was long ago sustained by the United States Supreme Court and no one can possibly dissent from the wish expressed at the recent hearing on the Wagner Bill that every worker in this country might at least have a living wage." Says the World's Work, for this month, page 593, "The more fundamental thing is to make a program for an enlargement of the national income so that the standard of living in this country, already higher than in most parts of the world, can still be further raised, so that the nation will be rich enough to keep the lowest level of life among us out of the depths that its ignorance and our neglect has allowed it to reach." And continuing, the World's Work says, "And this program we can have with little trouble. If this is not done we are hastening the day of Socialism."

And, as my Colleague pointed out to you, the most significant argument for the minimum wage is its endorsement by the National Administration of March 30, thru the Secretary of Labor, Mr. W. B. Wilson. And let me ask the gentlemen of the Negative, if the minimum wage were not necessary and practical would the United States government endorse it?

Let me quote to you the recommendation of Secretary Wilson, a recommendation drawn by six representatives of capital, six of labor, and two men representing the public; the public representatives being former President Taft and Frank P. Walsh, Chairman of the Industrial Relations Committee. The recommendation reads as follows:

"The right of all workers including common laborers to a living wage is hereby declared. In fixing wages, minimum rates of pay shall be established which will insure the subsistence of the worker and of his family in health and reasonable comfort." What have the gentlemen of the Negative to say to this? And further if the minimum wage were not necessary and practical would Mr. A. C. Summers, Commissioner of Commerce and Industries of the State of South Carolina, in his recent report just from the press (April 1918), recommend that the minimum wage be adopted in that state?" In this report to the Governor, page 21, he endorses the recommendation of Bonne and Groeschel, State Factory Inspectors for South Carolina, "That a suitable law be passed for a minimum scale of wages." The grand old palmetto State is patriotic to the core and she knows her workers in factories, workshops, and stores can do more toward winning the war, if they receive a wage sufficient to keep them in the highest state of working efficiency. Be it said to the everlasting credit of South Carolina, she has under consideration the grandest program of social legislation in this country, and now as a climax to this program, her Commissioner of Commerce and Industries, to keep what has already been secured, recommends that which strikes at the root of the evil of low wages, the minimum wage.

Having seen how materially the workers profit by the minimum wage let us see how it benefits society. It does so, by lessening the burden of charity, a burden which is today resting heavily upon society. A leading economist reports that were it not for organized charity many of these workers would perish of starvation. Give the worker a living wage and he will become self-respecting and self-supporting and will not need the assistance of charity. It benefits society by stabilizing labor conditions and reducing industrial unrest. It benefits society by providing for the welfare of future generations, thru the conservation of the health of the mothers, who now have to work at starvation wages, because their husbands' incomes are not sufficient to support the family. It benefits society by reducing crime caused by low wages and by lessening the drink habit among workers for they take to drink in many instances to drown their misery and not because they like liquor. It benefits society by enabling the working class to raise their standard of

living, and civilization advances by the rising standard of the workers. It benefits society by taking children out of industry and putting them in school, for education is the guardian genius of a democracy, it is the only dictator that free men acknowledge and the only security that free men desire. It benefits society by the conservation of childhood and that land which conserves its childhood has the greatest claim to progress. As my Colleague pointed out the loss of child life from low wages in industry is something appalling. Thru a study made in Johnstown, Pa., by the Federal Children's Bureau it was shown that the babies whose fathers earned less than $10 per week died during the first year at the rate of 256 per thousand, while on the other hand, those whose fathers earned $25 per week or more died at the rate of only 84 per thousand. Isn't the childhood of the land worth conserving, and isn't that alone, sufficient justification for the minimum wage? It benefits society by making the workers more patriotic toward the government which looks after their welfare. No worker hesitates to defend that government which protects his family from industrial greed and avarice. It benefits society by enabling a larger per cent of the working class to own their homes, and what a magic word that is to the worker, a place of his own, free from the rent collector, a hearthstone around which the dearest memories of his life cluster, and it is the thought of being able to own his home which will spur him on to greater efficiency and greater earning capacity.

The minimum wage is the most practical remedy for these conditions; for, second, it has been successful wherever tried. It has stood the acid test of trial and experience for twenty years in Australia. During that time it has been incessantly discussed, over and over again made the object of special inquiry. In Victoria it has been repeatedly considered by the Legislature and renewed five successive times by the consent of both Houses. It has spread from four trades in Victoria to 141 and from one state to every state in the commonwealths of Australia and New Zealand. Dr. M. B. Hammond, Vice Chairman of the Industrial Commission of Ohio, and Professor of Economics in Ohio University, who has recently investigated conditions in Australia, says, "Thruout Australia the principle of the minimum wage has found general acceptance, but few persons could be found today in either Australia or New Zealand who would challenge the

statement that the principle of the minimum wage has been accepted as a permanent policy in the industrial legislation of that portion of the world." Dr. Victor S. Clark, special investigator for the Bureau of Labor, says, "In Australia today no political party opposes the minimum wage." Other eminent economists such as Dr. John A. Ryan, Prof. Henry R. Seager, Prof. John R. Commons, and Sidney Webb are all of the opinion that the minimum wage has worked successfully in Australia and New Zealand.

The Minimum Wage Law, first adopted for only four trades in England, has been extended until, now eight different and distinct industries employing over 400,000 men are under the minimum wage law. And Lloyd George, the foremost Statesman of England today, declared in a recent speech delivered in the City of London, that England needed a minimum wage law not only for the eight trades to which such a law now applies, but for each and every industry in the United Kingdom.

In the United States eleven states have adopted the minimum wage, and in a majority of these it has been put into practical operation. Caroline E. Gleason, Secretary of the Oregon Industrial Welfare Committee, writes that the minimum wage of that state has not thrown any considerable number out of work; that no business has ceased operation in consequence of the law; that the enforcement has not been more difficult than the enforcement of other labor legislation; and that a majority of the employers seem to be satisfied with the law. The Washington Commissioner of Labor states, "The minimum wage law has not increased unemployement to any noticeable extent, no case of business failure due to the operation of the law has yet been recorded."

In view of the fact that in the United States, in the States that have put it into operation, the minimum wage has not hampered industry; that in England in four years it has raised wages from fifty to one hundred and fifty percent; that in Australia where it has been in operation for eighteen years and in New Zealand where it has been in effect for twenty years, the minimum wage law has, according to Dr. Clark raised wages twenty percent; that such eminent economists as Dr. John A. Ryan, Prof. M. B. Hammond, Prof. John R. Commons, Henry A. Seager, and Sidney Webb are all of the opinion that it has

been a success; and that in the twenty years of operation in Australasia it has spread from four trades to one hundred and forty-one in Victoria and from one state to all the states in the commonwealth; and that in not a single state, where it has once been passed has the law ever been repealed, it is logical to conclude that the minimum wage law is a practical proposition that has succeeded in the countries where it has been tried.

In conclusion the Affirmative have now established the two issues of this debate, we have shown that the minimum wage in factories, workshops, and department stores is necessary and that it is practical.

Necessary; first, because low wages are impairing the health, strength, and working efficiency of three-fourths of our workers in factories, workshops, and department stores. Necessary; second, because low wages will continue below the point of decency due to the inequality in the bargaining power between these workers and their employers. Necessary; third, because no power can remedy these conditions except the state.

Practical; first, because it is the most fundamental remedy striking at the root of the evil of low wages. Practical; second, because it has stood the acid test of experience and has proved successful wherever it has been tried.

We propose, therefore, the minimum wage as the only measure which will guarantee the worker his just share of the fruit of his labor and enable him to contribute his all in helping to decide for America and the World the fate of democracy and civilization.

Negative Speeches in Debate against the University of South Carolina

FIRST NEGATIVE

Fletcher Gans Cohn, Tennessee

Mr. Chairman, Honorable Judges, Ladies and Gentlemen: In the discussion of questions relating to the betterment of the conditions of the working classes, we are too prone to allow our judgment and better reasoning to give way to sentiment and

emotion. As we look about us and see the ragged margin of human poverty and misery we are apt to lay the blame of it all upon superficial causes neglecting to search for the deeper and more significant reasons for such conditions. And thus the gentlemen of the Affirmative come to us this evening with a panacea for all the ills which afflict the workers in factories, workshops and department stores,—that panacea being the minimum wage. We of the Negative take issue with the gentlemen of the Affirmative on this question and contend that the minimum wage in factories, workshops and department stores is, First, unnecessary, and Second, that it is unsound in theory and impractical in operation. It shall be my pleasure to establish the issue that the creation by the several states of minimum wage boards with power to establish schedules of wages in factories, workshops and department stores is unnecessary, while my colleague will prove the second issue, that it is unsound in theory and impractical in operation.

Remember Honorable Judges, that as the question is stated we are considering all workers, both skilled and unskilled, organized, and unorganized, men and women, adults and minors in the factories, workshops and department stores. The question declares that the several states should create minimum wage boards with power to establish minimum wages in factories, workshops and department stores. Therefore we must have a minimum wage for the skilled, another minimum wage for the unskilled, a third minimum wage for the men, a fourth minimum wage for the women, and still another minimum wage for the minors in these trades, for certainly the gentlemen of the Affirmative would not be so foolish as to contend that the same minimum wage would serve for the skilled, and the unskilled men, women, and minors. It is as a consequence clear that a minimum wage for the unskilled would be a minimum wage, while a minimum wage for the skilled would be a fair wage by which we mean a fair remuneration for the amount of work done. Mr. Justice Higgins of the Australian commonwealth court of arbitration held that a minimum wage was a fair and reasonable wage. So, the gentlemen of the Affirmative in order to prove their contention must devise some method by which this fair and reasonable wage can be determined, and they must also arrange some means, which thus far has not been attempted

by any of the states or countries that have the so-called minimum wage, of fixing these various minimum wages for the skilled, unskilled, men, women, and minors, and have this multitude of schedules work in harmony with each other. And under this question also bear in mind that we are considering schedules of wages for practically every industry in this country, excepting those relating to agriculture. For every single branch of these industries there must be devised a separate schedule of wages, since the laborers in a shoe factory would not have the same schedule of minimum wages as those in a candy factory. The fallacy of the whole scheme is clearly seen at the beginning.

The Minimum wage as proposed by the gentlemen of the Affirmative is unnecessary,

> First, because in the great majority of cases these workers are getting a living wage and that those who are not getting a living wage are inefficient, lazy and unambitious, or partial supporters of families.
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> Second, because our poverty is due for the most part not to low wages, but to unemployment, immigration, sickness, old age, intemperance, and lack of thrift, and that the creation of these minimum schedules will not obviate these causes, but will rather tend to increase them, and
>
> Third, because, under present conditions and those which will follow for the next decade at least, the workers in these industries will be able to take care of themselves, without artificial support.

The minimum wage is unnecessary, first, because the great majority of workers in these industries are getting a living wage and those who are not getting a living wage are either inefficient, lazy and unambitious, beginners or partial supporters of families. As Edward F. McSweeney of the Massachusetts Industrial Insurance Board states "there never was a time in the history of civilization when labor generally speaking was so well off as it is at the present time." Here in the South the cotton industry is our largest and it pays an average minimum wage of $14.25 per week. This high wage is not however peculiar to the South

alone for the ten largest industries in our country, raised their pay rolls four billion dollars last year while they hired but twenty-three thousand additional men. This shows how rapidly wages have increased. According to the recent report, page 6, of Mr. A. C. Summers, Commissioner of Commerce and Industries of the State of South Carolina, the wages of textile employees in South Carolina increased from fifteen million dollars in 1916 to twenty-one million in 1917, or forty per cent, although the number of employees remained practically the same. The State Factory Inspector of Tennessee reports that there has been a general increase of wages for employees in factories, workshops, and department stores ranging from ten to fifty per cent. Goldsmith's, the largest department store in Tennessee, located at Memphis, pays now a minimum of $10.00 per week, as do also Gerbers, Byrs and Lowensteinn, all large department stores. In the State of Florida Cohen Brothers of Jacksonville, who have the largest department store in the state, employing one hundred and fifty men, and three hundred women, now report that they are paying a minimum of $20.00 for men and $14.00 per week for women employees, and Maas Brothers of Tampa, who have a large department store employing 31 men and 65 women, pay a minimum of $17.00 per week for men, and $12.50 per week for women. What minimum wage states pay these workers a better wage? Now, let us compare these wages and recent increases to those in the minimum wage states. Washington reports that the minimum is on the average ninety-two cents lower than the old wage, The Commissioner of Immigration, Labor and Statistics of Utah reports that cash girls and wrappers in department stores received an increase of fifty cents a week, making their living wage now the enormous sum of $4.50 per week, that laundry workers were increased from $7.00 to $7.50 per week after the creation of the minimum wage law. In the State of Oregon the average weekly earnings of all women in the six largest department stores of the state increased ten per cent or from $7.89 to $8.68 per week after the adoption of the minimum wage. In the State of Arkansas, the recently established minimum wage board recommended a schedule of wages for women workers in factories, workshops and department stores which was not one cent higher than the wages before the enactment of the law, while in the State of Kansas the In-

dustrial Welfare Commission established three years ago has not made one single recommendation with reference to the adoption of a minimum wage, and the laborers in these industries are not in the least benefited by the enactment of this legislation. Thus we see, Honorable Judges, that the wages of the workers in the non-minimum wage states are higher than those in the minimum wage states, and that the per cent of increase in wages during the last few years has been more in the non-minimum wage states, than in the states where minimum wage legislation prevails. It is true that there are some workers in these industries, who are not getting a living wage, but we of the Negative contend with Dr. Seager of Columbia, that these are in a great minority and that they are untrained, inefficient, and unambitious and receive all they are able to earn. Now, we ask the gentlemen of the Affirmative, would they force the employers of these inefficient, untrained and unambitious workers to pay them a living minimum wage when they do not earn it? And if such a wage were to be given them have we any proof that these workers would spend this additional wage for their own betterment? Also the wages of a large part of this minority are not needed for the direct support of the family to which they belong, but are mere supplementary wages, often times coming in as handy pin money. This is especially true of thousands of young department store girls who tire of school and desire to have something to do before their marriage. Says the investigating committee of the New York State Factory Commission for 1915, page 33, "In a special study of one thousand three hundred individual women, it was found that sixty-five per cent live with their families and twenty per cent paid board to help out the family budget while only fifteen per cent lived alone or with strangers and were entirely dependent upon their own individual earnings." If we adopt the plan of the Affirmative we will drive out these workers entirely as they are for the most part beginners and inefficient and their employers could not therefore afford to pay them the minimum wage, and so their mite to the family income would be cut off and as a result a heavier burden will be placed upon the shoulders of the main wage earner.

The minimum wage is unnecessary, second, because our poverty is due for the most part, not to low wages, but to unemployment, immigration, sickness, old age, intemperance, and lack

of thrift, and the creation of these minimum wage schedules will not obviate these causes, but will rather tend to increase them. Werner, a few years ago, made a thorough investigation of American charities and he discovered that twenty-nine per cent of our poverty was due to unemployment, and Robert Hunter in his famous book called "Poverty," tells us that in 1910, 3,000,000 workers in the United States were idle one-fourth of the year and that had they worked regularly their wages would have been increased $200.00 per year for each worker. The Immigration Commissioner upholds this point when he reports that twenty-five and two-fifths per cent of all the wage earners in the United States miss part of the year's work. The City Club of Milwaukee investigated into the cause of poverty in Milwaukee County and found that fifty per cent of it was due to unemployment. Not only is unemployment a direct cause of much poverty, but as I have pointed out the adoption of the proposed minimum wage will throw thousands of workers in these industries out of employment, and will thus increase poverty. The living wage for the unskilled finally settles down to a question of immigration for as Paul Kellogg said in the *Survey Magazine* ninety per cent of the unskilled labor in America is done by the immigrants. Of course they live in apparent poverty for the immigrants of today come to America not to make their permanent home here, but to earn enough money to return to their native lands. The Immigration Commissioner reports that they send home approximately $250,000,000 every year, and that they can live on the small sum of $12.00 per month per person, and so we see that their deplorable living conditions are not due to low wages but to low standards of living. If we give them more wages they will not use it to better their living conditions but will merely send it home. The adoption of the minimum wage will also bring more of this undesirable class of immigrants to our shores, for if they are guaranteed a living wage, regardless of their earning capacity, they will flock to our shores in greater numbers than before, and remember that they already form ninety per cent of our unskilled laborers, and that the foreign scab is the greatest menance facing the American worker at the present time. Werner also informs us that twenty-seven per cent of our poverty is due to sickness and old age and but two and five-tenths per cent is due to low wages. Lindsey's in-

vestigations of the causes of poverty likewise show that thirty-four per cent of poverty is due to sickness and old age, while but three and three-tenths per cent is due to low wages. If we adopt the proposed minimum wage, among the first who will lose their jobs will be those who are old and sick, thus increasing the problem of the unemployed, or if we allow them to work for less than the minimum wage, how then does the minimum wage benefit them, will the gentlemen of the Affirmative please answer, and it is mainly for this class that the gentlemen of the Affirmative urge such legislation. Intemperance is another great cause of our poverty for as Werner again informs us twenty-three and two-tenths per cent of our poverty is due to intemperance, and the Massachusetts Bureau of Labor even goes so far as to say that forty-five per cent of the poverty in that great industrial state is caused by intemperance. If we give this class the minimum wage you can readily see that this increased wage would not go towards bettering their living conditions, but for more liquor. Another cause for American poverty is a lack of thrift. The Russell Sage Foundation writes that the maintenance of a normal standard of living depends in the great majority of cases not on a low family income, but on the uneconomical use of the family income. It is a well known fact that the American laborer, though the highest paid worker in the world, is the least thrifty. He saves on the average only $50.00 per year, while the English, French, and Scandinavian receives a much lower wage, yet their individual savings account is double that of the American. The minimum wage would not be advantageous since their lack of learning and thrift would cause them to spend their extra wage foolishly. And so we see Honorable Judges, that but two and five-tenths per cent of our poverty is due to low wages while all the rest is due to unemployment, immigration, sickness, old age, intemperance, and lack of thrift.

The minimum wage is unnecessary, third, because, under present conditions and those which will follow for the next decade at least, the workers in these industries will be able to take care of themselves, without artificial support. As William Lasserson, Superintendent of the Industrial Commission of Wisconsin, has said, "the demand for labor at the present time greatly exceeds the supply." Conditions are getting so bad that the North and the South are bidding against each other for

negro labor and there is even talk of importing labor from the West Indies. Our government, although it is so badly in need of soldiers, has decided to allow many of these soldiers to return to the farms to help make the crops because of the great scarcity of men. With man-power so scarce, a laborer is able to demand practically his own price, and, Honorable Judges, this will continue for many years to come. Numbers of our soldiers will not return, and some of them having once seen the beauty of the great out of doors will not be willing to return to work in factories. Then, again it will fall upon the United States to rebuild all that the merciless Hun has torn down. It is true that our women have come bravely to the front and taken the places left open by our men going to war, but there are some industries in which a woman cannot be employed, for instance a woman cannot become a miner or a steel worker. After the Civil War we had a period of wage advancing and cost of living declining. Taking the wages and cost of living of 1860 as a basis, wages in 1865 were one hundred and twenty per cent and the cost of living one hundred per cent, and in 1867, right after the war, wages were one hundred and seventy-two per cent and the cost of living was one hundred and sixty-four per cent. The same thing is true with reference to the years following the Spanish American war, and so when the gentlemen of the Affirmative tell you that the present high wages of labor will not continue after the present war, they are forgetting the facts of American history.

In conclusion, I have shown you that the minimum wage as proposed by the gentlemen of the Affirmative is unnecessary, first because in a great majority of cases these workers are getting a living wage and those who are not getting a living wage are either inefficient, lazy and unambitious, or partial supporters of families; that the workers in the non-minimum wage states are better off from the standpoint of wages and recent increases in wages than the workers in the minimum wage states; that with the adoption of the minimum wage the inefficients, the lazy and unambitious and the partial supporters of families will be thrown out of employment entirely, and that therefore the minimum wage will not benefit the people who need it most, for the efficient workers are already getting a living wage. I have shown that the minimum wage is unnecessary, second because, poverty

is due for the most part, not to low wages, but to unemployment, immigration, sickness, old age, intemperance, and lack of thrift; that the minimum wage will not solve the problem of unemployment, but will throw thousands of the inefficient workers out of employment, and thus accentuate this problem; that if the government guarantees a minimum wage, the immigrants, knowing that the United States will give them a living wage regardless of their ability, will flock to these shores and congest the industrial centers, and since the standard of living among these foreign immigrants is so low, they will secretly under-bid the American workers, and crowd them out all together, as they already compose ninety per cent of the unskilled laboring class. That the minimum wage will not decrease sickness among these workers because that is largely due to ignorance and only education will remedy that, neither will the minimum wage provide for the rainy day, for only an adequate system of old age insurance will do that, and neither will it eliminate intemperance or lack of thrift, for if the wage is slightly increased, and we have no guarantee that even this will be done, the workers will not know how to spend these small extra earnings to an advantage. I have shown you that the minimum wage is unnecessary, third because, under present conditions and those which will follow for the next decade at least, the workers in these industries will be able to take care of themselves, without artificial support; labor power is already scarce and the economic laws of supply and demand will continue to cause their wages to reach higher and higher levels. My Colleague will now establish the issue that the minimum wage is unsound in theory and impractical in operation.

SECOND NEGATIVE

B. H. Odom, Tennessee

Mr. Chairman, Honorable Judges, Ladies and Gentlemen: My Colleague has shown you that the minimum wage as proposed by the gentlemen of the Affirmative is unnecessary. It is now my pleasure to establish the issue, that the minimum wage is unsound in theory and impractical in operation.

It is unsound in theory, first because, it will increase the problem of the unemployed. Mr. Ernest Aves, the noted British Labor expert, after investigating the workings of the minimum wage laws in New Zealand and Australia, said "Under the minimum, men find great difficulty in retaining jobs when they pass middle age, and it becomes harder for the slow and inefficient worker to get employment because the employer will not pay them the legal wage." Thus you see it will not only throw out of employment entirely a large class of laborers dependent in whole or in part upon their earnings, but will maintain a barrier against the possible employment of all labor whose efficiency is not up to the standard, of those entitled to the fixed wage. If any man asks more than his own labor yields, he is virtually asking for a ticket of leave. Not until his specific product equals his specific pay can he be expected to continue in the employment.

Then again the minimum wage will attract more foreigners to our shores. At the outbreak of the present war, we were receiving more than a million immigrants annually. When the war is over and the burden of reconstruction falls heavily upon the shoulders of working man, in the form of increased taxation and other obligations, he will naturally become more restless and dissatisfied, and if America offers him freedom, with the additional inducement of the minimum wage, we may expect him to continue coming in even greater numbers. Our peril lies in the fact, that the vast majority of these immigrants are of the lower type of wage earners of Southern Europe and that they always congregate in our congested centers, making still greater our problem of unskilled and unemployed labor.

It is unsound in theory, second because, it takes away the initiative and incentive of the laborer. To illustrate, suppose two laborers are working side by side, one is an ambitious man, and also has the welfare of his employer at heart. The other is cursed with laziness and indifference. His sole object is to exert himself as little as possible, and still retain his job. He will even let the ambitious man do part of his work and still they both draw the same pay. What would be the result? It would be human nature, for the ambitious man to fall into the same rut with the indifferent. And this will be even more natural, because the minimum will tend to become the maximum, the

employer must be paid for his contribution to society, and on account of the keenness of competition if you raise his minimum, he will be forced to lower his maximum. President Wilson in a campaign speech, said: "If a minimum wage were established by law, the great majority of employers would take occasion to bring their wage scale as near as might be down to the level of the minimum, and it would be very awkward for the working men to resist that process successfully, because it would be dangerous, to strike against the authority of the government." And to show you that labor also looks upon this with a suspicious eye, permit me to quote Samuel Gompers, head of the Brotherhoods of America, who said, "I fear an outcome, that has not been discussed, and that is, that the same law may endeavor to force men to work for the minimum wage scale, and when government forces men to work for a minimum wage, that means slavery." Thus Honorable Judges, you can readily see, the obstacles thrown in the way of the laborer's ambition.

It is unsound in theory, third because, it will increase the price of commodities. Everybody concedes to the employer a profit for his labor. Capital must be paid first, in order to induce it to contribute, and as competition has already forced the employer to literally shave his expense accounts, an increase in wages would cause an increase in the price of his commodities. This burden as usual falls on the consumer. And as the question under discussion, involves so many and such varied industries practically every commodity used by the working man will be effected. This necessarily raises his cost of living, and the cost of living is the base at which the minimum wage is maintained. Therefore the tendency would be, to establish a sort of automatic lever acting at recurring intervals, constantly toward an increase, not only in prices, but also in wages, with the increase in one direction counter-acting the effect of the increase in the other.

The minimum wage is impractical in operation, first because, it is inelastic. Under such a wage law uniformity and harmony could not be secured, because as far as the minimum wage is concerned the United States represents forty-eight separate, competing sovereign countries, with widely varying conditions of employment and wage standards. No two states are alike.

Each has its own industries. Some are manufacturing. Some are mining, while others are chiefly agricultural. The cost of living does not only vary in the several states but fluctuates in each state from time to time. Add to this two more factors, the cost of production, and the different standards of living in our country, all of which must be taken into consideration by the gentlemen of the Affirmative. The classes of labor, are different in the various sections, for instance the negroes of the South, the foreigners in the East and North, the white American labor in the West and the Middle West. And the Chinese and Japanese labor on the Pacific coast. The standards of living are widely different among these laborers, some can live for much less than others, and a minimum wage cannot be determined, for one class, without discriminating against the other classes. Then again the minimum wage, would have a drastic effect upon the movement of capital. The states would vie with each other and that state which could fix the lowest minimum wage, all other conditions being equal, would get more than its share of investment of capital in the form of industries. A similar parallel may be drawn from our present corporation laws, by which New Jersey has been able to gobble up ninety per cent of the corporations of the Country. Another source of inelasticity would be to stimulate the movement of labor from the farms where it is so badly needed at present, to industrial centers. And today the greatest good to the Nation can come from the development of our farm lands, for an adequate food supply is the one thing we must have to win the war.

This drift from the farm caused by the minimum wage would curtail production, and consequently cause the price of living to rise higher and higher in the industrial centers, thus eating up any extra wages gained by the minimum wage law.

The minimum wage is impractical in operation, second because, it cannot be enforced. The cause of this seems to be the mutual endeavor of both parties concerned to evade the law. Mr. J. B. Clark, Professor of Economics in Columbia, tells us, that in Australia, when it is to the advantage of both parties alike to enter into low wage agreements, inspectors find it impossible to determine whether or not, the minimum wage is being paid. These conditions will occur in the parasitic industries and in those with a narrow margin of profit, because in these, the

employer will have the choice of one or two things, bankruptcy or evasion of the law, and he will prefer evasion of the law. Under the minimum wage he will always have at his disposal a bountiful supply of laborers, in the form of inefficient and unemployed, ready and willing to enter into low wage agreements with him.

Another factor that will keep the law from being enforced is that ninety per cent of the unskilled labor, in factories, workshops and department stores, is foreign labor. Victor S. Clark, who was sent by this country to investigate conditions in Victoria, says "The minimum wage would be hard to enforce in the United States because the bulk of those employed in these trades are immigrants, of which thirty-seven percent cannot read or write even their own language." Thus you see, these immigrants are ignorant, and many would not obey the law, because they would not understand it. Thousands of these workers, who would be squeezed out of a job by the more efficient American laborers, would sign false pay receipts, or else pay back to their employer, a part of their wage, in order to secure employment. They can afford to do this since their standard of living is much lower than of American laborers. They eat less and cheaper food, they live in the tenements and the slums, and their rent is cheaper, they allow themeslves few, if any of the comforts of life, and for these reasons they are able to underbid American labor, so the remedy for the ills of the American laborer is not the minimum wage but more stringent immigration laws.

The minimum wage is impractical in operation, third because, of our complex industrial organization, and heterogeneity of population. In Australia where this has been experimented with to the greatest extent, the industrial conditions are vastly different from ours. Australia has the population of Ohio, scattered over an area much larger than that of the United States, it is essentially an agricultural country, the wealth of the people is due to the production of wool, meats and other farm products, their manufacturing per capita is only third in value of that of an equal number of people in the United States. One half the population of South Australia lives on the production of wool alone, yet, only two per cent of this valuable product, is manufactured in the Commonwealth. Australia is also different from America, in being very homogeneous, it is a white man's coun-

try, the immigration laws restrict all blacks, reds, browns, and yellows, besides this, Australia is socialistic in her political philosophy while the United States is individualistic. It has government ownership of almost every industry, and the minimum wage naturally fits into their system much better than it would into ours. For these reasons, we contend, that its partial success in Australia does not prove that it would be a success in America. But with these favorable conditions in Australia making it a suitable place to experiment with this artificial regulation of industry the minimum wage has not proved the success the Affirmative would have you believe. A recent report of the Industrial Betterment Commission states, "Nowhere is more industrial unrest to be found, nowhere more industrial strikes in proportion to population, and nowhere more dissatisfaction, among both workers and employers."

In conclusion, we of the Negative have established the issues, that the minimum wage is, first, unnecessary, and second, unsound in theory and impractical in operation.

We have shown that it is unnecessary, first, because in a great majority of cases, these workers are getting a living wage and that those who are not getting a living wage are either inefficient, lazy and unambitious, or only partial supporters of families; for those who are getting a living wage such legislation is unnecessary and injurious for it reduces them to the level of the inefficient; that such legislation will not benefit those who are not getting a living wage but will increase their social ills by driving them out of employment into further depths of poverty and misery.

We have shown that the minimum wage is unnecessary, second, because poverty is due, for the most part, not to low wages, but to unemployment, immigration, sickness, old age, intemperance and lack of thrift.

We have shown that the minimum wage is unnecessary, third because, under present conditions, and those which will follow for the next decade at least, the workers in these industries will be able to take care of themselves without artificial support because labor power is already scarce and the economic laws of supply and demand will continue to cause their wages to reach higher and higher levels if not interfered with by unsound legislation, such as the minimum wage.

We have established our second issue, that the minimum wage is unsound in theory and impractical in operation.

It is unsound in theory, first because, it will increase the problem of the unemployed, for this is the experience of minimum wage legislation in New Zealand and Australia. It also increases unemployment by closing down industries and attracting foreigners in large numbers to our shores.

It is unsound in theory, second, because, it takes away the initiative and incentive of the laborer to advance as shown by the testimony of President Wilson and Samuel Gompers, the two biggest men in America today.

It is unsound in theory, third, because, it will increase the price of commodities to the public thus resulting in reducing the real wage of the workers, thereby making it still more difficult for the new wage to meet their expense account.

The minimum wage is impractical in operation, First, because it is inelastic, due to the varying conditions in the different sections in our country and to the competition that would result between the states. It is impractical in operation, second, because, it cannot be enforced, due to the mutual endeavor of both parties concerned, to evade the law, and also to the ignorance and indifference of our foreign workers, for these are the scum of southern Europe.

It is impractical in operation, third, because, of our complex industrial organization and heterogeneity of population, for what partial success it has attained in Australia is due to their simple industrial organization, to their homogeneity of population, and to their socialistic political philosophy. In the United States we have the most complex industrial organization in the world, our population is composed of people from all nations of the earth, our system of government is dual in which there is a decided lack of uniformity in necessary laws, and our political philosophy is individualistic, based upon the sound principle that every normal man can provide for his own wants without the interference of governmental power. This is the theory on which our people have grown free and prosperous, and have become the mightiest nation of all time. Shall we abandon the policy that has made us the greatest and the freest nation in the world to adopt new and untried schemes which will not fit into our social organism?

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